



Tennessee Student Assistance Corporation

March 22, 2007
Board of Directors Meeting

A G E N D A

Tennessee Student Assistance Corporation

BOARD MEETING

Parkway Towers
18th Floor Conference Room
404 James Robertson Parkway
Nashville, Tennessee

Thursday, March 22, 2007

- I. CALL TO ORDER – 1:00 p.m.**
- II. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM**
- III. ADOPTION OF AGENDA**
- IV. APPROVAL OF THE MINUTES OF THE SEPTEMBER 28, 2006
BOARD MEETING 1**
- V. CHAIRMAN’S REPORT**
- VI. EXECUTIVE DIRECTOR’S REPORT**
- VII. TASFAA PRESIDENT’S REPORT**
- VIII. DECISION ITEMS**
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XI. NEW BUSINESS

XII. OLD BUSINESS

XIII. ADJOURNMENT – Approximately 3:00 p.m.

**Tennessee Student Assistance Corporation (TSAC)
Board of Directors Meeting**

Minutes

**Sept. 28, 2006
1:00 p.m. CDT**

I. CALL TO ORDER

The Board of Directors of the Tennessee Student Assistance Corporation met on Thursday, Sept. 28, 2006, in the Executive Conference Room of the Tennessee State Capitol, Nashville, Tennessee. The meeting was called to order by Chairman Richard Rhoda at 1:00 p.m.

II. ADOPTION OF AGENDA

R-09-06.1 RESOLVED: That the board approves the agenda as presented (Motion-Gregory, second-Branch, unanimously approved).

III. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM

The following board members and alternate representatives were present:

Dr. Richard G. Rhoda, Executive Director, THEC
Dr. Robert Ruble, Executive Director, TSAC
Ms. Janice Cunningham for Mr. Dale Sims, State Treasurer
Mr. Paul Starnes, President, Tennessee Proprietary Business School Assoc., Inc.
Mr. Morgan Branch, Designee for Commissioner Lana C. Seivers, State Department of Education
Ms. Faye Weaver, Designee for Mr. John Morgan, Comptroller of the Treasury
Mr. Pete Abernathy, Designee for Commissioner Dave Goetz, Department of Finance & Administration
Dr. Claude O. Pressnell, Jr., President Tennessee Independent Colleges and Universities Association
Ms. Janette Overton, Director of Financial Aid at Johnson Bible College in Knoxville; and President of Tennessee Association of Student Financial Aid Administrators
Dr. Katie High, Designee for Dr. John Petersen, President University of Tennessee
Mr. David Gregory, Designee for Charles W. Manning, Tennessee Board of Regents
Ms. Mary Kate Ridgeway, Private Citizen
Dr. Nancy B. Moody, Designee for Dr. Joel Cunningham, Vice Chancellor and President, University of the South; and Chairman, Tennessee Independent Colleges and Universities

The following board members were unable to attend:

Gov. Phil Bredesen
Ms. Lana Seivers, Commissioner of Education
Mr. John Morgan, Comptroller of the Treasury
Mr. Dave Goetz, Commissioner of Finance and Administration
Dr. John Petersen, President University of Tennessee
Chancellor Charles W. Manning, Tennessee Board of Regents
Mr. Clay Petrey, Private Citizen
Mr. Dale Sims, State Treasurer
Dr. Joel Cunningham, Vice Chancellor and President, University of the South; and Chairman, Tennessee Independent Colleges and Universities
Ms. Deborah Cole, Commercial Lender Representative
Ms. Victoria Wheeler, Student Member

IV. APPROVAL OF THE MINUTES OF THE JUNE 15, 2006 BOARD MEETING

R-09-06.2 RESOLVED: That the board approves the minutes of the June 15, 2006 board meeting (Motion-Gregory, second-Branch, unanimously approved).

V. CHAIRMAN'S REPORT

Dr. Rhoda announced retiring, new and returning board members. He welcomed Janette Overton, new board member. Ms. Overton is Director of Financial Aid at Johnson Bible College in Knoxville and President of the Tennessee Association of Student Financial Aid Administrators, or TASFAA. Ms. Overton now holds the board position formerly held by Forrest Stuart. Dr. Rhoda announced Victoria Wheeler as the newest student member. Ms. Wheeler, who attends LeMoyne-Owen College, replaces Nicole Brooks. Mary Kate Ridgeway, whose term was set to expire on June 30, has been reappointed to another two-year term. He thanked Mr. Patrick Smith for his service as alternate to Gov. Phil Bredesen and said there was not a replacement for Mr. Smith as of yet.

VI. EXECUTIVE DIRECTOR'S REPORT

Dr. Ruble then gave the Executive Director's report. He introduced new staff members:

- Tim Phelps, Associate Executive Director for Grant and Scholarship Programs
- Jennifer Jackson, Publications and Web Designer
- Jane Ann Fowler, TSAC's first Outreach Specialist to work from a satellite office generously provided by East Tennessee State University

Dr. Ruble said that the 2004-05 Annual Report has been completed and the 2005-06 state audit is underway, which is expected to be complete late this fall. He then announced that in early October a number of TSAC offices will be relocated, and staff who now work on the 19th floor in the Parkway Towers building will move to the 15th and 17th floors, and THEC will take over TSAC's former space on the 19th floor.

He also announced that TSAC will host a Lottery Scholarship Open Forum in the Parkway Towers 18th floor board room on Tuesday afternoon, Nov. 21, 2006 and welcomed board members to attend.

VII. DECISION ITEMS

Dr. Rhoda called on Tom Bain, TSAC's Associate Executive Director for Compliance and Legal Affairs, to introduce decision items A-D. Dr. Rhoda suggested that the board might discuss decision items A-D as a group and consider one vote to act on all four decision items.

A. Proposed Repeal of the Graduate Nursing Loan-Scholarship Program and Adoption of Rules for the Tennessee Graduate Nursing Loan Forgiveness Program

Mr. Bain noted that the new rules in items A-D will be effective when approved by the board, then approved by the Attorney General and filed with the Secretary of State.

Mr. Bain then introduced decision item A: Proposed Repeal of the Graduate Nursing Loan-Scholarship Program and Adoption of Rules for the Tennessee Graduate Nursing Loan Forgiveness Program. The 2006 Tennessee General Assembly enacted a graduate nursing loan forgiveness program in lieu of the graduate nursing loan-scholarship program that had previously been in effect. The TSAC staff solicited input from various members of the higher education and financial aid community, including nursing professionals, while drafting proposed rules to

implement the new program. Mr. Bain noted the graduate nursing loan-forgiveness program may begin as early as summer 2007.

B. Proposed Rules for the Tennessee Math and Science Teacher Loan Forgiveness Program

Mr. Bain introduced decision item B: Proposed Rules for the Tennessee Math and Science Teacher Loan Forgiveness Program. The 2006 Tennessee General Assembly enacted a math and science teacher loan forgiveness program in Tennessee. The TSAC staff solicited input from various members of the higher education and financial aid community in drafting proposed rules to implement the new program.

C. Proposed Rule Changes to the Tennessee Education Lottery Scholarship Program

Mr. Bain introduced decision item C: Proposed Rule Changes to the Tennessee Education Lottery Scholarship Program. TSAC must update its Tennessee Education Lottery Scholarship Program rules to address legislative changes made by the Tennessee General Assembly during 2006 and as a matter of administrative housekeeping to address technical issues that have arisen during the past year that require explanation in the rules. TSAC staff is recommending that the board adopt the proposed new rules to the lottery scholarship program, which include allowing students who attend private postsecondary institutions to be eligible for Tennessee HOPE foster child tuition grants, increasing HOPE scholarship award amounts, making certain additional students eligible for the HOPE award and updating rules to allow for reference to weighted grade point averages where applicable.

D. Proposed Repeal of Rules Related to the Bylaws of the Tennessee Student Assistance Corporation and Adoption of Virtually Identical Bylaws

Last, Mr. Bain introduced decision item D: Proposed Repeal of Rules Related to the Bylaws of the Tennessee Student Assistance Corporation and Adoption of Virtually Identical Bylaws. The Tennessee Attorney General's Office has advised TSAC that its bylaws should not be adopted in the form of official "rules" filed with the Secretary of State, primarily because the Tennessee Student Assistance Corporation lacks rulemaking authority under Tennessee law to promulgate its bylaws as "rules." Therefore, it recommends that TSAC repeal Rule 1640-1-5 (Bylaws of the Tennessee Student Assistance Corporation). Therefore, TSAC proposes repealing Rule 1640-1-5 and simultaneously adopting bylaws virtually identical to those that had been previously adopted in rule format. The new bylaws proposed for adoption provide that the annual meeting of TSAC shall be during the month of September (rather than June, as stated in the current rule), consistent with the TSAC Board's decision at the March 23, 2006 Board meeting.

In the discussion that followed of decision items A-D, Mr. Pete Abernathy asked if the SAT scores in decision item C on pages 37, 38 and 40 were correct. Mr. Robert Biggers, Lottery Scholarship Administrator, responded that yes, the scores were correct.

Mr. David Gregory then asked if an award amount listed for decision item C on page 33 was correct. Mr. Bain agreed the figure was wrong and that TSAC noticed it after the printing of the agenda. Then Dr. Richard Rhoda and Ms. Faye Weaver suggested that in the future no award amounts be shown in the rules document and that instead the rules reference the statute because award amounts change every year.

Ms. Janette Overton asked Mr. Bain how long, in general, it takes for rules to be approved and go into effect. Mr. Bain responded that because they are public necessity rules, that they will be implemented immediately once they are approved by the Attorney General and filed with the Secretary of State.

Dr. Katie High asked about decision item B, the math and science teacher loan forgiveness program, if it applied to any level of math and science teacher who teaches at any grade. Mr. Biggers responded yes, it applies to all tenured public school teachers.

Mr. Gregory asked if HOPE Access students would also receive the need-based supplement. Mr. Biggers responded yes, that the ASPIRE award is supplemental to the HOPE award. Then Mr. Gregory asked if there was any private money available for the proposed graduate nursing loan forgiveness program (decision item A) in its first year. Ms. Naomi Derryberry, Grant and Scholarship Program Administrator, responded that yes, BlueCross BlueShield of Tennessee made an initial commitment of \$700,000 for the first award year, which is expected to be the 2007-08 academic year.

Ms. Weaver then asked if all board members could have a final copy of the proposed rules in decision items A-D. Dr. Rhoda responded yes.

R-09-06.3 RESOLVED:

- (1) That the Tennessee Student Assistance Corporation repeals Rule 1640-1-3 (Graduate Nursing Loan-Scholarship Program); and
- (2) That the Tennessee Student Assistance Corporation adopts Rule 1640-1-3 as both public necessity rules and proposed rules (Tennessee Graduate Nursing Loan Forgiveness Program); and
- (3) That the Tennessee Student Assistance Corporation adopts Rule 1640-1-20 as both public necessity rules and proposed rules (Tennessee Math and Science Teacher Loan Forgiveness Program); and
- (4) That the Tennessee Student Assistance Corporation adopts Rule 1640-1-19 as revised, as both public necessity rules and proposed rules (Tennessee Education Lottery Scholarship Program); and
- (5) That the Tennessee Student Assistance Corporation repeals Rule 1640-1-5 (Bylaws of the Tennessee Student Assistance Corporation); and
- (6) That the Tennessee Student Assistance Corporation adopts virtually identical bylaws to those formerly adopted as Rule 1640-1-5, except as to the date of the annual board meeting, and except not pursuant to the formal “rulemaking” requirements under Tennessee law; and
- (7) That the Tennessee Student Assistance Corporation authorizes its Executive Director to make any necessary technical corrections to these rules including changes suggested by the Tennessee Attorney General (Motion-Starnes, second-Gregory, unanimously approved on a roll call vote).

E. Proposed Budget Request for 2007-08

Dr. Rhoda then called on Doug Cullum, Accounting Manager at TSAC, to introduce the proposed 2007-08 budget request. Mr. Cullum filled in for Dan Lee, Associate Executive Director for Business Affairs, who could not be present. TSAC is required to submit its budget request to the State Budget Division by Oct. 1, 2006.

Mr. Cullum outlined seven priorities of the proposed budget and indicated that the eighth item would not be prioritized. Rather, the item in the agenda mentioned as Priority 8 would be changed to indicate that the work of The Compensation Taskforce is acknowledged, and that the Executive Director is authorized to work with appropriate state officials to make progress toward the taskforce recommendations.

2007-08 Budget Request Summary			
<u>Priority</u>	<u>Amount</u>	<u>Source</u>	<u>Initiative</u>
1	\$2,120,700	State	Restore Previous TSAA Funding Reductions
2	\$17,263,100	State	Increase TSAA Funding to Address Tuition Increases
3	\$175,600	Federal	Loan Program Business Development
4	\$232,200	State	Maintain Tennessee Teaching Scholars Program
5	\$120,000	State	Expand Ned McWherter Scholars Program
6	\$232,000	State	Maintain Minority Teaching Fellows Program
7	\$12,468,700	State	Support all Eligible TSAA Applicants Who Apply by May 1
<hr/>			
None	\$77,500	Various	Adopt Compensation Taskforce Recommendations

Dr. Rhoda thanked TSAC staff for structuring the proposed budget in that manner and laying out priorities.

Ms. Weaver suggested some changes to the budget request that she and Mr. John Morgan, State Comptroller of the Treasury, believe will enhance the budget request, including moving Priority 8 to the No. 1 spot and putting in more declarative sentences and being more direct. She also suggested adding more information about the students that would be affected such as how many students applied, how many students were awarded, and the shortfalls of the TSAA program.

Dr. Claude Pressnell agreed and suggested making the point that 90 percent of TSAA award recipients come from families with incomes of less than \$30,000 a year. He also suggested that Priority 7 be renamed to include the deadline date, as in "Support All Eligible TSAA Applicants Who Apply by May 1."

Ms. Janice Cunningham said she'd like to know the percentage of awards to first-time students. Ms. Derryberry responded that in the 2006-07 academic year, approximately 26 percent of applicants were freshmen.

Dr. Rhoda noted that TSAC's funding request next goes to the Tennessee Higher Education Commission along with the operating requests of the University of Tennessee system and Board of Regents system.

R-09-06.4

RESOLVED:

- (1) That the Tennessee Student Assistance Corporation recommends 2007-08 funding levels as presented in the document entitled Tennessee Student Assistance Corporation Budget Request for 2007-08, September 28, 2006; and

- (2) That the Tennessee Student Assistance Corporation authorizes its Executive Director to make any necessary technical corrections (Motion-Starnes, second-Weaver, abstain-Abernathy, otherwise unanimously approved).

F. Proposed Rehabilitation Loan Program Changes

Dr. Rhoda asked Levis Hughes, Associate Executive Director for Loan Administration, to introduce decision item F: Proposed Rehabilitation Loan Program Changes. Mr. Hughes said market forces now allow for increased competition for guarantors to sell rehabilitated loans to lenders at a premium, and the U. S. Department of Education requires guarantors to have a rehabilitation program. TSAC has held a long-standing relationship with EdSouth for this service at par value. The rehabilitated loan volume for last year totaled \$19.1 million. TSAC's last six (6) cycles represent a total of \$23.1 million. The corporation estimates that earnings from a premium for this potential new service could be \$300,000 to \$500,000 annually. In order to increase TSAC's competitiveness with other guarantors, the loan administration staff proposes soliciting bids under an RFP process to lenders (at least two vendors would be selected) to purchase loans of the agency that become eligible for the Loan Rehabilitation Program. The earnings from the program would go directly into TSAC's Operating Fund to be reinvested in serving students in Tennessee.

Ms. Weaver asked how long TSAC had a contract with EdSouth for these services. Mr. Hughes responded he believed it started in 1992 or 1993.

Ms. Cunningham asked how the funds that TSAC receives from the program would be used. Mr. Hughes responded that it would go into the Operating Fund and to serve more students in Tennessee. Ms. Overton then asked what programs it would go into, and Mr. Hughes responded that while the funds are not slated for specific programs, they would go into the general Operating Fund, which is used to for services like outreach efforts. Mr. Hughes welcomed board recommendations for use of the funds. Ms. Weaver asked why TSAC would open the bid to two vendors, and Mr. Hughes responded that it would create greater competition, which would benefit TSAC.

R-09-06.5 RESOLVED: That the Loan Administration staff of TSAC be instructed to solicit bids under an RFP process to lenders (at least two vendors would be selected) to purchase loans of the agency that become eligible for the Loan Rehabilitation Program (Motion-Branch, second-Starnes, unanimously approved).

G. Tennessee Student Assistance Award Program Taskforce Preliminary Recommendations

Dr. Russ Deaton, Director of Fiscal Analysis for the Tennessee Higher Education Commission, introduced decision item G. Dr. Deaton is filling in for Greg Schutz, Chair of the TSAA Taskforce and Director of Assessment and Institutional Effectiveness with the Tennessee Board of Regents. The taskforce arose from the Board's Sept. 19, 2005 meeting, when the Chair asked that a small group be assembled to review the TSAA program and to make recommendations to the full board. The taskforce was asked to address eligibility requirements, application deadline dates, and the formula used to determine award amounts. Dr. Deaton outlined the group's preliminary recommendations.

Dr. Pressnell expressed some concerns about serving existing and new students by applying new models to the TSAA program, he wondered if it was possible to remarkably improve the program when demand exceeds supply. Dr. Deaton responded that his concerns were well founded, and that the underlying problem still is a limited amount of funds.

Ms. Overton asked why a decentralized model was not recommended. Dr. Deaton replied that the taskforce wanted to stick with the principle that financial aid should follow the student, to give the student the biggest choice in where to attend school. Ms. Weaver pointed out that the decentralized model could also result in inequity to the institutions that make the awards.

Dr. Pressnell commented that as the taskforce and board looks at changes to TSAA, it's more important to look at the non-HOPE eligible student models more than the HOPE-eligible students because the majority of students don't receive the HOPE award. Ms. Weaver added that only 18 percent of students receive the HOPE scholarship. Dr. Pressnell also cautioned that the board and the taskforce needs to consider the legislative and political impact of making changes to the TSAA program.

R-09-06.6 RESOLVED:

- (1) That the Tennessee Student Assistance Corporation accepts the recommendations of the TSAA Task Force, namely:
 - (a) Continue administering TSAA as a centralized program, rather than adopting a decentralized model.
 - (b) Advance the "Priority Application Date" for the TSAA program from May 1 to March 1.
 - (c) Conduct additional analysis concerning the impact of adopting the following procedures:
 - Consolidate the TSAA award amount payment schedule from one with hundreds of cells to one with a small number of cells.
 - Vary the TSAA award amounts in the payment schedule so that there is more differentiation between cells; and
- (2) That the Tennessee Student Assistance Corporation asks the TSAA Taskforce to work toward 2008-09 implementation of TSAA program changes, including presentation of a progress report to the Board at its Spring 2007 meeting, at which time the impact of the proposed formula changes will be described and the Board will have an opportunity to consider changes to the TSAA formula (Motion-Starnes, second-Gregory, unanimously approved).

VIII. DISCUSSION ITEMS

A. Communications Services Activity Report

Jeri Fields, Associate Executive Director for Communication Services, gave a status report on TSAC's Communication Services division. She noted her division's primary goals:

1. Increase the total number of high school graduates from Tennessee public high schools who enroll in college.
2. Increase the total number of non-traditional students participating in higher education.
3. Increase the number of minority and low-income students qualifying, applying and receiving financial aid for college in Tennessee.
4. Increase the retention rate of the TELS award at the 24-hour credit checkpoint.

Ms. Fields pointed out that the goals are broad for a few reasons: 1) expansion in federal legislation related to access, 2) state legislators' concerns that TSAC is a success, 3) the

corporation's membership alliances with NASFAA and NCHELP for example are beginning to require access initiatives of guaranty agencies and 4) concerns and issues raised by this board and other partnership agencies. She said that initial steps include creating more regional offices for local, grassroots communications efforts and product creations and changes. She said that several product improvements and new products are being developed, such as a direct marketing piece for high schools this year.

Ms. Fields noted that her division has on-going conversations with GearUp and the Department of Education to ensure a strong partnership with their activities and programs. She and her colleagues are also looking at developing best practices for local programs to reach target audiences, and that they welcomed all concerns, suggestions and insights from the board.

There were no questions or comments on this discussion item.

B. Tennessee HOPE Foster Child Tuition Grant Program Request for Advisory Opinion

Tim Phelps, Associate Executive Director for Grant and Scholarship Programs, discussed TSAC's request for an advisory opinion on the HOPE Foster Child Tuition Grant Program. 2006-07 marks the second year of the Tennessee HOPE Foster Child Tuition Grant Program. In the first year of the program, participation was limited to students attending public institutions. In the second year of the program, the General Assembly extended eligibility to students attending independent colleges and universities (Public Acts, 2006, Chapter No. 869, House Bill No. 2809). As TSAC staff reviewed the program rules in order to extend eligibility to students attending independent institutions, questions arose concerning the method used to calculate award amounts. The portion of the law that describes the procedure used to calculate award amounts can be interpreted in several different ways. For that reason, before determining 2006-07 award amounts, TSAC asked the Tennessee Attorney General for an advisory opinion. Mr. Phelps said that TSAC recently received verification from the Attorney General's office that its interpretation was correct and has begun making award calculations for 2006-07 academic year.

Dr. Pressnell asked if financial aid directors particularly at public institutions have been notified that affected students must first take out student loans before they will be awarded the grant. Mr. Phelps replied yes, and that TSAC has put information on e*GrandS system. Ms. Overton requested that TSAC make this information available on systems other than e*GrandS because not everyone has access to that system.

Dr. Rhoda noted that it was unlikely that the legislature had intended requiring foster children to borrow money as a condition of eligibility and ask if retroactive changes could be made by the next General Assembly. Mr. Phelps responded that TSAC was developing language to do precisely that.

C. Tennessee Guarantee Loan Volume Market Report

Levis Hughes, Associate Executive Director for Loan Administration, gave the Tennessee guarantee loan volume market report. He said the main purpose of the report was to illustrate that as a guaranty agency, TSAC does have competition in the state, which does impact the corporation's bottom line. He listed and described the five main agencies doing business in Tennessee: American Student Assistance Corporation, California Student Aid Commission/EDFund, National Student Loan Program, Texas Guaranteed Student Loan Corporation and USA Services. He then cautioned that several of the guaranty agencies are working with other lender partners to take loan volume away from TSAC.

Dr. Pressnell thanked Mr. Hughes and his division for putting this information together and recommended that loan volume and competition be tracked on an annual basis to have a better

picture of trends over time. He also said he appreciated that part of the budget request included funds to hire to business development consultants for the loan division that can make sure TSAC maintains its share of the student loan market in Tennessee. Mr. Hughes noted that the corporation has seen a slight decline in market share and that default prevention programs are critical to retaining market share. Ms. Weaver suggested that this type of analysis also be shared with legislators.

D. Default Prevention Summit Report

Mr. Hughes gave the default prevention summit report. On Sept. 12, 2006, TSAC hosted its first conference devoted entirely to default prevention in Nashville. The need for this conference came out of a request from TSAC participating schools to assist their students in managing debt and their school's Cohort Default Rate (CDR). The corporation invited about 80 schools to attend and slightly more than 50 schools and seven lenders participated.

There were several goals of the summit, but the primary goal was to at least maintain and work toward improving the current default rates at both TSAC and TSAC-participating schools. Secondary goals of the summit were to initiate a dialogue with schools regarding TSAC's upcoming product suite and to demonstrate TSAC's commitment to leading and assisting schools with their default prevention initiatives. The agenda topics included characteristics of a successful default prevention plan, a review of TSAC's CDR history and a roundtable discussion on five to seven default prevention product possibilities. Mr. Hughes said about three product initiatives were deemed most important and TSAC will be developing those over the next year.

Mr. Hughes said that there is a concern about the lack of available data on the total indebtedness of each individual student. There is no way for TSAC to gather data on private loans and uncertified loans for example. Overall, however, he said the summit was very well received by the schools and TSAC will host another one next year.

There were no questions or comments on this discussion item.

IX. INFORMATION ITEMS

Information items were included in the agenda and not discussed.

X. NEW BUSINESS

None.

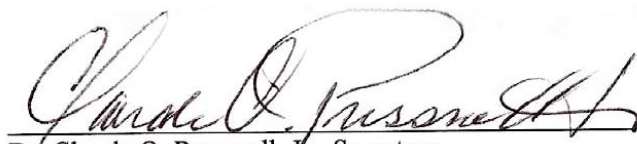
XI. OLD BUSINESS

None. Dr. Rhoda reminded everyone that the next meeting would be Thursday, March 22, 2007 at 1:00 p.m. at a yet-to-be-determined location.

XII. ADJOURNMENT

The meeting adjourned at approximately 3:15 p.m.

Minutes recorded by Micaela Brown of TSAC and approved by:



Dr. Claude O. Pressnell, Jr., Secretary

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2006

DECISION ITEM A: **Selection of 2007-08 Officers and Committee Members**

Staff Recommendation

That the board selects its 2007-08 officers and committee members at today's meeting.

Background

The Bylaws of the Tennessee Student Assistance Corporation state that the corporation's officers shall consist of a Chairman, Vice-Chairman, Secretary, and Treasurer, each elected by the directors of the corporation from among their own number. The term of office is one year.

The bylaws authorize the Chairman to appoint board committees. In practice, the Chairman often brings committee appointments to the full board.

Vice Chair Richard Rhoda has appointed a committee to nominate 2007-08 officers and committee members. The nominating committee consisted of John Petersen, Charles Manning, and Clay Petrey.

Following today's report from the nominating committee, 2007-08 officers and committee members will be selected. A list of current (2006-07) officers and committee members is attached.

Supporting Document

Tennessee Student Assistance Corporation: 2006-07 Officers and Committees, February 26, 2007.

Tennessee Student Assistance Corporation
2006-07 Officers and Committees

February 26, 2007

Officers

Chairman: Governor Phil Bredesen
Vice Chair: Richard Rhoda
Secretary: Claude Pressnell
Treasurer: Dale Sims

Executive Committee

Governor Phil Bredesen, Chair
Dave Goetz
John Morgan
Claude Pressnell
Richard Rhoda
Dale Sims

Appeals Committee

Charles Manning, Chair
John Morgan
John Petersen
Richard Rhoda
Paul Starnes

Audit Committee

Deborah Cole, Chair
Dave Goetz
Clay Petrey

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DECISION ITEM B: Adoption of 2007-08 TSAA Program Parameters

Staff Recommendation

- (1) That the Tennessee Student Assistance Corporation adopts a 140% over-commitment ratio for the 2007-08 Tennessee Student Assistance Award (TSAA) program.
- (2) That \$1,000,000 of the Tennessee Student Loan Program (TSLP) reserve be made available as an additional resource for 2007-08 TSAA awards.

Background

In order to fully expend available TSAA resources, it is necessary to offer more aid to students than is available to be spent. This reflects the fact that some students who are offered aid will not accept it. The practice is analogous to overbooking in the airline and hotel industries.

Based on the cash flow analysis in the attached document, TSAC staff recommend a 140% over-commitment ratio for 2007-08. This is the same ratio that the board has adopted for the current 2006-07 year.

\$44,108,500 is expected to be available for 2007-08 awards, which includes \$1,000,000 of additional revenue to be transferred from the TSLP reserve. TSAC will attempt to spend \$44,000,000 of that amount. In order to spend \$44,000,000, 140% of that amount will be offered to students, or \$61,600,000.

If TSAC offers \$61,600,000 and spends \$44,000,000 of that amount, the utilization rate will be 71.4%. Over the last six years, actual utilization rates have ranged from 57.2% to 70.8%, so the projected 71.4% utilization is conservative -- it is unlikely that actual utilization will be that high.

If the unexpected happens, and utilization does exceed 71.4%, then additional resources will be needed. Those additional resources would be obtained from the TSLP reserve, the account into which year-end TSAA balances are deposited and from which year-end TSAA shortfalls may be funded. The TSLP reserve is projected to have a June 30, 2007 year-end balance of approximately \$11.8 million, with about \$7.2 million of that amount available to be used in the TSAA program.

Note that this analysis does not assume the availability of federal LEAP/SLEAP funds, because those funds are not assured at this

time. If LEAP/SLEAP funds materialize at the historical \$1.3 million level, it will be possible to offer 140% of that amount (\$1.8 million) in additional awards.

Similarly, if the State of Tennessee provides an additional appropriation beyond the \$43,308,500 currently assumed, it will be possible to offer additional awards equal to 140% of the additional appropriation.

Note also that for the first time, a portion of the TSLP reserve would be intentionally allocated for additional TSAA awards. Over the last five years, the reserve available to be used in the TSAA program has increased from \$2.8 million to \$7.2 million. While a substantial reserve is necessary to cover unanticipated year-end TSAA expenditures, staff believe that \$7.2 million is excessive and that a portion of this amount may instead be used for additional awards.

Supporting Document

Tennessee Student Assistance Award Program History and 2007-08 Projections, February 26, 2007.

Tennessee Student Assistance Award Program History and 2007-08 Projections February 26, 2007

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	Estimated <u>2006-07</u>	Projected <u>2007-08</u>
Last Date for Award Eligibility							
TSAA	June 15	June 14	April 23	March 22	March 15	March 4	March 1
Atchley Opportunity Grant	June 15	May 13	March 1	March 5	March 15	March 4	March 1
Funding:							
State	\$ 38,465,400	\$ 45,429,200	\$ 41,208,500	\$ 41,208,500	\$ 41,208,500	\$ 43,308,500	\$ 43,308,500
Transfer from TSLP Reserve (1)	-	-	-	-	-	-	1,000,000
Federal (LEAP)	490,338	488,735	540,833	523,867	486,843	487,154	-
Federal (SLEAP)	508,787	1,242,817	1,787,266	802,160	808,011	819,708	-
Sub Total	39,464,525	47,160,752	43,536,599	42,534,527	42,503,354	44,615,362	44,308,500
Less Dependent Children	(50,000)	(56,019)	(70,000)	(94,885)	(133,456)	(154,000)	(200,000)
Available Funds for TSAA	\$ 39,414,525	\$ 47,104,733	\$ 43,466,599	\$ 42,439,642	\$ 42,369,898	\$ 44,461,362	\$ 44,108,500
Students Offered Aid	36,460	42,018	31,923	30,103	24,286	25,000	24,839
Students Received Aid	25,893	28,657	23,303	22,917	18,713	19,250	19,298
Received / Offered	71.0%	68.2%	73.0%	76.1%	77.1%	77.0%	
Awards Committed	\$ 58,630,039	\$ 79,967,161	\$ 61,790,447	\$ 61,418,748	\$ 54,886,337	\$ 62,000,000	\$ 61,600,000
Actual Expenditures	\$ 37,320,053	\$ 45,710,007	\$ 41,833,378	\$ 42,645,415	\$ 38,450,700	\$ 43,896,701	\$ 44,000,000
Expenditures / Committed	63.7%	57.2%	67.7%	69.4%	70.1%	70.8%	71.4%
Year-End Balance	2,094,472	1,394,726	1,633,221	(205,773)	3,919,198	564,661	108,500
% Over-commitment	148.8%	169.8%	142.2%	144.7%	129.5%	139.4%	140.0%
% Available Funds Spent	94.7%	97.0%	96.2%	100.5%	90.8%	98.7%	99.8%
Average Offer Amount	1,608	1,903	1,936	2,040	2,260	2,480	2,480
Average Expenditure Amount	1,441	1,595	1,795	1,861	2,055	2,280	2,280
Effect on TSLP Reserve							
Beginning Balance July 1	\$ 6,550,535	\$ 6,940,799	\$ 7,255,577	\$ 9,225,574	\$ 8,676,184	\$ 12,091,724	\$ 11,796,385
Transfer to Funding (1)	-	-	-	-	-	-	(1,000,000)
Interest Earned/F&A year-end adjustment	51,264	68,216	144,897	144,483	392,996	350,000	185,000
Year-end Amount from Program (above)	2,094,472	1,394,726	1,633,221	(205,773)	3,919,198	564,661	108,500
Prior Year Collections	169,500	98,281	191,879	134,212	89,228	90,000	125,000
Reversion-TSAA (2)	(1,924,972)	(1,246,445)	-	(622,312)	(985,882)	(1,300,000)	(1,300,000)
Ending Balance June 30	\$ 6,940,799	\$ 7,255,577	\$ 9,225,574	\$ 8,676,184	\$ 12,091,724	\$ 11,796,385	\$ 9,914,885
Less Federal Component	(4,115,434)	(4,178,129)	(4,286,931)	(4,377,741)	(4,571,768)	(4,600,000)	(4,524,513)
Reserve Available to TSAA	\$ 2,825,365	\$ 3,077,448	\$ 4,938,643	\$ 4,298,443	\$ 7,519,956	\$ 7,196,385	\$ 5,390,372
Memo: Annual Financial Report Amount	\$ 6,940,799	\$ 7,255,577	\$ 9,225,574	\$ 8,676,184	not avail.		

(1) Although displayed as an additional funding source, this transfer will actually occur at the end of the fiscal year.
(2) In 2004-05 an additional \$615,500 was reverted from administrative funds, bringing the total 2004-05 reversion to \$1.2 million

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM A: Tennessee Student Assistance Award Program Status Report

Staff Recommendation For discussion only.

Background As we near the end of the 2006-07 award year, Tennessee Student Assistance Awards totaling \$45.2 million have been offered to about 20,730 students. These figures are current as of February 1, 2007, and will likely decline slightly in the year-end reconciliation process.

2006-07 award activity is slightly up from the previous year when about 19,330 students actually received \$38.4 million.

Details are provided in the document entitled *Tennessee Student Assistance Award Program Update*, March 22, 2007

Supporting Document *Tennessee Student Assistance Award Program Update*, March 22, 2007.

Tennessee Student Assistance Award

Program Update

March 22, 2007

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Tennessee Student Assistance Corporation
Tennessee Student Assistance Award ("TSAA") Program

	<u>2005-06</u>		<u>2006-07</u>	
	<u>Actual Recipients</u>		<u>Awards through 2/1/07*</u>	
	<u>Students</u>	<u>\$</u>	<u>Students</u>	<u>\$</u>
Independent/Four-Year	3,812	\$14,803,519	4,320	\$17,189,381
Independent/Two-Year	42	139,527	60	225,351
Private/Business and Trade	1,165	1,929,330	1,253	2,415,952
Board of Regents	6,100	11,763,026	6,441	13,585,788
University of Tennessee System	2,483	4,872,456	2,568	5,347,521
State Tech/Community Colleges	4,751	4,429,408	5,000	5,421,620
Tennessee Technology Centers	973	\$510,002	1,085	\$1,009,731
School of Nursing	<u>1</u>	<u>\$609</u>	<u>0</u>	<u>\$0</u>
	19,326	\$38,447,877	20,727	\$45,195,344
Average Award Amount		\$1,989		\$2,181

* Awards were offered to eligible students who applied by March 4, 2006. Data shown here are current as of February 1, 2007. These amounts will decline as certification rosters are completed.

TENNESSEE STUDENT ASSISTANCE CORPORATION
Tennessee Student Assistance Award

	2005-2006		2006-2007 *	
	Students	\$	Students	\$
<u>INDEPENDENT/FOUR-YEAR</u>				
American Baptist College	16	32,841	8	16,158
Aquinas College	69	240,333	81	285,072
Aquinas College – Primetime	17	51,054	22	76,784
Baptist Memorial College of Health	86	160,938	109	211,155
Belmont University	113	486,712	109	456,952
Bethel College	252	907,904	355	1,388,683
Bryan College	61	225,835	80	323,619
Carson-Newman College	171	723,292	194	808,034
Christian Brothers University	240	1,024,571	224	1,001,185
Crichton College	110	386,333	177	740,100
Cumberland University	163	687,275	140	604,668
David Lipscomb University	84	346,595	78	339,753
Fisk University	36	156,439	48	216,630
Free Will Baptist Bible College	10	36,507	11	45,777
Freed-Hardeman University	165	724,228	118	509,547
Johnson Bible College	21	54,089	14	43,685
King College	67	286,908	72	307,113
Lambuth University	100	438,583	97	424,104
Lane College	283	944,376	432	1,449,933
Lee University	142	577,686	182	729,929
LeMoyne-Owen College	215	867,910	242	1,049,328
Lincoln Memorial University	190	789,752	253	1,026,443
Martin Methodist College	163	592,117	200	782,830
Maryville College	121	543,458	106	479,472
Memphis College of Art	45	185,649	42	168,030
Milligan College	45	195,309	47	197,868
Rhodes College	27	117,332	24	96,292
South College	52	86,062	85	177,310
Southern Adventist University	33	138,887	37	163,230
Tennessee Temple University	12	26,319	8	18,192
Tennessee Wesleyan College	132	539,781	138	609,573
Trevecca Nazarene University	59	231,484	76	314,010
Tusculum College	285	1,037,547	258	1,075,007
Union University	99	434,341	125	536,544
University of the South	27	120,642	32	143,334
Vanderbilt University	76	353,001	79	336,730
Watkins Institute College of Art and Design	<u>25</u>	<u>51,429</u>	<u>17</u>	<u>36,307</u>
	3,812	14,803,519	4,320	17,189,381
TOTAL:		3,883		3,979
AVERAGE AWARD:				

TENNESSEE STUDENT ASSISTANCE CORPORATION

Tennessee Student Assistance Award

	2005-2006		2006-2007 *	
	Students	\$	Students	\$
INDEPENDENT/TWO-YEAR				
Hiwassee College	35	127,638	51	199,422
John A. Gupton College	5	10,191	7	22,245
William R. Moore School of Technology	<u>2</u>	<u>1,698</u>	<u>2</u>	<u>3,684</u>
TOTAL:	42	139,527	60	225,351
AVERAGE AWARD:		3,322		3,756
PRIVATE/BUSINESS & TRADE				
ConCorde Career Institute	114	211,632	56	113,442
Draughon's Junior College, Clarksville	27	48,225	36	62,736
Draughon's Junior College, Murfreesboro	70	116,313	54	116,649
Draughon's Junior College, Nashville	62	107,823	46	97,716
Electronic Computer Programming College, Inc.	50	69,374	39	62,290
Fountainhead College of Technology	16	27,372	18	34,278
High Tech Institute, Memphis	0	0	137	292,076
High Tech Institute, Nashville	66	115,017	81	159,540
International Academy of Design & Technology	0	0	30	63,035
ITT Technical Institute, Cordova	0	0	51	90,407
ITT Technical Institute, Knoxville	78	133,717	5	11,586
ITT Technical Institute, Nashville	24	43,045	25	44,268
MedVance Institute	32	42,093	25	35,994
Miller-Motte Business College, Clarksville	41	75,450	39	69,048
Miller-Motte Technical College, Chattanooga	118	211,386	138	261,808
Miller-Motte Business College, Goodlettsville	0	0	16	23,754
Nashville Auto-Diesel College	38	56,370	27	61,614
Nashville College of Medical Careers	26	33,165	30	47,481
National College of Business & Technology, Bristol	0	0	10	22,788
National College of Business & Technology, Knoxville	53	84,666	50	113,080
National College of Business & Technology, Nashville	87	159,960	102	225,136
North Central Institute	5	11,322	4	8,103
Nossi College of Art	55	99,387	59	118,413
O'More College of Design	10	22,620	13	29,250
Remington College, Memphis	59	74,326	17	23,818
Remington College, Nashville	29	25,366	18	15,288
SAE Institute of Technology	1	774	3	6,168
Southeastern Career College	65	91,956	66	112,017
Vatterott College	3	4,596	20	26,690
West Tennessee Business College	<u>36</u>	<u>63,375</u>	<u>38</u>	<u>67,479</u>
TOTAL:	1,165	1,929,330	1,253	2,415,952
AVERAGE AWARD:		1,656		1,928

TENNESSEE STUDENT ASSISTANCE CORPORATION
Tennessee Student Assistance Award

BOARD OF REGENTS

	2005-2006		2006-2007 *	
	Students	\$	Students	\$
Austin Peay State University	739	1,429,362	813	1,721,595
East Tennessee State University	913	1,700,648	967	2,091,097
Middle Tennessee State University	1,220	2,371,866	1,254	2,715,528
Tennessee State University	804	1,559,929	878	1,922,571
Tennessee Technological University	494	925,294	586	1,257,300
University of Memphis	<u>1,930</u>	<u>3,775,927</u>	<u>1,943</u>	<u>3,877,697</u>
	6,100	11,763,026	6,441	13,585,788
TOTAL:		1,928		2,109
AVERAGE AWARD:				

UNIVERSITY OF TENNESSEE SYSTEM

University of Tennessee, Chattanooga	559	1,031,652	607	1,310,524
University of Tennessee, Knoxville	1,169	2,400,145	19	39,747
University of Tennessee, Martin	749	1,431,410	1164	2,418,720
University of Tennessee, Memphis-Health Science	<u>6</u>	<u>9,249</u>	<u>778</u>	<u>1,578,530</u>
TOTAL:	2,483	4,872,456	2,568	5,347,521
AVERAGE AWARD:		1,962		2,082

STATE TECH/COMMUNITY COLLEGES

Chattanooga State Technical Community College	369	331,890	430	441,157
Cleveland State Community College	159	140,484	161	187,748
Columbia State Community College	251	236,184	255	260,277
Dyersburg State Community College	386	278,487	300	346,536
Jackson State Community College	305	279,828	408	471,410
Motlow State Community College	148	136,686	188	223,647
Nashville State Technical Community College	315	284,873	339	342,394
Northeast State Technical Community College	340	333,348	336	371,201
Pellissippi State Technical Community College	362	360,044	305	367,504
Roane State Community College	337	346,409	426	451,265
Southwest Tennessee Community College	1,156	1,133,163	1,178	1,254,747
Volunteer State Community College	278	245,128	306	333,742
Walters State Community College	<u>345</u>	<u>322,884</u>	<u>368</u>	<u>369,992</u>
TOTAL:	4,751	4,429,408	5,000	5,421,620
AVERAGE AWARD		932		1,084

TENNESSEE STUDENT ASSISTANCE CORPORATION
Tennessee Student Assistance Award

	2005-2006		2006-2007 *	
	Students	\$	Students	\$
TENNESSEE TECHNOLOGY CENTERS				
Tennessee Technology Center at Athens	16	7,628	22	23,496
Tennessee Technology Center at Chattanooga	31	18,252	45	40,125
Tennessee Technology Center at Covington	14	4,436	24	20,950
Tennessee Technology Center at Crossville	40	24,777	43	40,334
Tennessee Technology Center at Crump	25	13,326	29	24,216
Tennessee Technology Center at Dickson	33	19,388	37	29,160
Tennessee Technology Center at Elizabethton	61	30,092	49	48,864
Tennessee Technology Center at Harriman	27	16,318	53	56,115
Tennessee Technology Center at Hartsville	14	7,736	14	12,452
Tennessee Technology Center at Hohenwald	69	32,300	95	93,292
Tennessee Technology Center at Jacksboro	32	19,242	31	22,326
Tennessee Technology Center at Jackson	56	26,664	74	66,300
Tennessee Technology Center at Knoxville	66	26,964	33	34,590
Tennessee Technology Center at Livingston	34	17,690	35	34,442
Tennessee Technology Center at McKenzie	22	15,270	34	29,976
Tennessee Technology Center at McMinnville	23	12,266	36	25,962
Tennessee Technology Center at Memphis	80	40,400	89	87,935
Tennessee Technology Center at Morristown	83	46,712	77	75,876
Tennessee Technology Center at Murfreesboro	21	10,760	24	27,442
Tennessee Technology Center at Nashville	46	21,695	27	17,492
Tennessee Technology Center at Newbern	15	7,140	25	24,172
Tennessee Technology Center at Oneida/Huntsville	19	9,056	12	9,894
Tennessee Technology Center at Paris	50	27,422	68	62,088
Tennessee Technology Center at Pulaski	14	8,374	19	18,050
Tennessee Technology Center at Ripley	29	16,256	26	23,874
Tennessee Technology Center at Shelbyville	27	12,348	48	47,886
Tennessee Technology Center at Whiteville	26	17,490	16	12,422
TOTAL:	973	510,002	1,085	1,009,731
AVERAGE AWARD:		524		931
GRAND TOTAL	19,326	38,447,268	20,727	45,195,344
AVERAGE AWARD:		1,989		2,181

* Awards were offered to eligible students who applied by March 4, 2006.

Data shown here are current as of February 1, 2007. These amounts will decline as certification rosters are completed.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

**DISCUSSION ITEM B: Tennessee Education Lottery Scholarship Program
Status Report**

Staff Recommendation For information only.

Background In the first year of the TELS program, \$93 million was provided to 40,000 students. In the second year, the program was expanded to include HOPE Foster Child Grants and Dual Enrollment Grants, and \$137 million was provided to 56,000 students.

As we now approach the end of the third year of the TELS program, \$212 million has been awarded to 71,000 students. This figure will decline in the year-end reconciliation process.

In 2007-08, the fourth year of the TELS program, the new Math and Science Teacher Loan Forgiveness program will be added to the collection of student aid programs funded under the lottery umbrella.

Details are provided in the document entitled *Tennessee Education Lottery Scholarship Program Update*

Supporting Document *Tennessee Education Lottery Scholarship Program Update, March 22, 2007.*

Tennessee Education Lottery Scholarship Program Status Report

March 22, 2007

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

**Tennessee Education Lottery Scholarship Program
Summary Report
2006-2007 TELS Summary**

2004-2005		2005-2006		2006-2007	
Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
Students	\$	Students	\$	Students	\$

HOPE (04-05 and 05-06 includes GAM and Aspire)

Independent / Four-Year	5,318	\$16,715,547	7,134	\$25,376,393	5,788	\$20,872,441
Independent / Two-Year	110	182,750	77	135,938	66	123,500
Private/Business Trade	0	0	48	146,330	53	194,550
University of Tennessee System	8,041	24,724,303	11,437	37,808,755	9,816	36,625,232
Board of Regents / Four-Year	11,231	34,715,484	14,518	50,135,977	12,850	47,588,537
State Tech/Community Colleges	6,572	10,312,105	7,061	12,742,521	5,401	9,662,255
TOTAL	31,272	\$86,650,189	40,275	\$126,345,913	33,974	\$115,066,515

HOPE w/ GAM

Independent / Four-Year	0	\$0	0	\$0	1,312	\$6,092,713
Independent / Two-Year	0	0	0	0	0	0
Private/Business Trade	0	0	0	0	2	9,600
University of Tennessee System	0	0	0	0	1,745	8,258,492
Board of Regents / Four-Year	0	0	0	0	1,032	4,861,749
State Tech/Community Colleges	0	0	0	0	28	67,614
TOTAL	0	\$0	0	\$0	4,119	\$19,290,168

HOPE w/ Aspire

Independent / Four-Year	0	\$0	0	\$0	2,331	\$11,724,860
Independent / Two-Year	0	0	0	0	48	159,050
Private/Business Trade	0	0	0	0	13	63,600
University of Tennessee System	0	0	0	0	2,720	14,071,966
Board of Regents / Four-Year	0	0	0	0	4,862	24,874,201
State Tech/Community Colleges	0	0	0	0	2,711	8,674,316
TOTAL	0	\$0	0	\$0	12,685	\$59,567,993

HOPE Access Grant

Independent / Four-Year	12	\$21,000	25	\$54,000	37	\$95,842
Independent / Two-Year	1	1,250	1	1,575	1	850
Private/Business Trade	0	0	0	0	0	0
University of Tennessee System	16	24,779	48	95,122	56	141,775
Board of Regents / Four-Year	37	61,000	124	257,100	170	420,157
State Tech/Community Colleges	42	44,531	67	82,497	137	198,951
TOTAL	108	\$152,560	265	\$490,294	401	\$857,575

Wilder-Naifeh Technical Skills

8,815	\$6,613,273	10,023	\$7,860,163	13,965	\$15,652,418
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**Tennessee Education Lottery Scholarship Program
Summary Report
2006-2007 TELS Summary**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
<u>HOPE Foster Care Grant</u>						
Independent / Four-Year	0	\$0	0	\$0	1	\$253
Independent / Two-Year	0	0	0	0	0	0
Private/Business Trade	0	0	0	0	0	0
University of Tennessee System	0	0	6	16,970	1	159
Board of Regents / Four-Year	0	0	16	51,739	5	13,164
State Tech/Community Colleges	0	0	8	19,536	3	4,966
TOTAL	0	\$0	30	\$88,245	10	\$18,541
<u>Dual Enrollment Grant</u>						
Independent / Four-Year	0	\$0	388	\$162,610	438	\$129,800
Independent / Two-Year	0	0	52	24,080	93	27,900
Private/Business Trade	0	0	0	0	0	0
University of Tennessee System	0	0	574	244,800	613	182,100
Board of Regents / Four-Year	0	0	97	48,757	219	65,700
State Tech/Community Colleges	0	0	3,825	1,400,359	4,049	1,188,296
Technology Centers	0	0	529	179,750	442	130,575
TOTAL	0	\$0	5,465	\$2,060,356	5,854	\$1,724,371
<u>Math & Science Teachers Program</u>						
Independent / Four-Year	0	\$0	0	\$0	0	\$0
University of Tennessee System	0	\$0	0	\$0	0	\$0
Board of Regents / Four-Year	0	\$0	0	\$0	0	\$0
TOTAL	0	\$0	0	\$0	0	\$0
<u>ALL PROGRAMS</u>						
Independent / Four-Year	5,330	\$16,736,547	7,547	\$25,593,003	9,907	\$38,915,909
Independent / Two-Year	111	184,000	130	161,593	208	311,300
Private/Business Trade	0	0	48	146,330	68	267,750
University of Tennessee System	8,057	24,749,082	12,065	38,165,647	14,951	59,279,724
Board of Regents / Four-Year	11,268	34,776,484	14,755	50,493,573	19,138	77,823,508
State Tech/Community Colleges	6,614	10,356,636	10,961	14,244,912	12,329	19,796,398
Technology Centers	8,815	6,613,273	10,552	8,039,913	14,407	15,782,993
GRAND TOTAL	40,195	\$93,416,022	56,058	\$136,844,971	71,008	\$212,177,581

Tennessee Education Lottery Scholarship Program
HOPE
(04-05 and 05-06 includes General Assembly Merit and Aspire)
Awards By Institution

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	32	\$81,000	36	\$109,686	25	\$84,075
Baptist Mem. Coll. Health & Sci.	48	149,625	80	269,100	79	281,950
Belmont University	386	1,180,375	568	1,960,240	479	1,725,200
Bethel College	147	456,600	183	666,700	174	625,100
Bryan College	59	192,000	103	374,700	96	349,600
Carson Newman College	390	1,246,500	484	1,693,922	404	1,467,275
Christian Brothers University	263	838,125	327	1,172,325	271	982,100
Crichton College	27	74,125	38	121,400	43	156,550
Cumberland University	194	599,500	264	896,350	219	784,700
David Lipscomb University	462	1,436,203	607	2,119,875	512	1,855,150
Fisk University	48	157,500	73	280,150	43	144,400
Free Will Baptist Bible College	23	73,000	26	89,825	23	82,278
Freed Hardeman University	257	788,397	320	1,114,920	257	961,400
Johnson Bible College	35	96,500	48	168,750	56	199,500
King College	125	404,500	193	662,617	162	594,700
Lambuth University	207	635,000	241	835,150	183	655,500
Lane College	48	156,125	58	233,400	26	95,000
Lee University	266	818,250	373	1,350,787	285	1,047,850
LeMoyne-Owen College	34	118,500	30	119,250	11	41,800
Lincoln Memorial University	133	410,000	156	588,966	125	446,975
Martin Methodist University	90	276,500	138	485,588	142	493,525
Maryville College	352	1,102,950	459	1,621,350	368	1,311,570
Memphis College of Art	16	53,000	22	79,800	19	68,400
Milligan College	97	292,500	119	396,600	100	359,100
Rhodes College	205	685,000	257	942,175	212	715,850
South College	14	30,665	14	40,400	20	73,466
Southern Adventist University	116	360,500	163	526,075	167	599,450
Tennessee Wesleyan College	176	535,262	253	872,300	222	834,100
Trevecca Nazarene University	117	357,000	141	473,250	131	480,700
Tusculum College	155	445,225	200	716,500	183	676,875
Union University	313	986,788	429	1,550,500	389	1,382,250
University of the South	106	341,000	145	535,764	132	457,391
Vanderbilt University	355	1,270,707	543	2,159,090	189	689,511
Watkins Inst. Coll. Of Art & Des.	22	66,625	43	148,888	41	149,150
TOTAL	5,318	\$16,715,547	7,134	\$25,376,393	5,788	\$20,872,441
Independent / Two-Year						
Hiwassee College	105	\$174,000	71	\$124,613	59	\$111,150
John A. Gupton College	5	8,750	6	11,325	7	12,350
TOTAL	110	\$182,750	77	\$135,938	66	\$123,500
Private / Business & Trade						
O'More College of Design	0	\$0	48	\$146,330	53	\$194,550

Tennessee Education Lottery Scholarship Program
HOPE
(04-05 and 05-06 includes General Assembly Merit and Aspire)
Awards By Institution

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	1,684	\$5,040,313	2,621	\$7,113,678	1,948	\$7,253,630
University of TN, Health Sci. Ctr.	0	0	6	19,800	13	47,500
University of TN, Knoxville	5,045	15,623,196	7,024	24,428,437	6,532	24,430,842
University of TN, Martin	1,312	4,060,794	1,786	6,246,840	1,323	4,893,260
TOTAL	8,041	\$24,724,303	11,437	\$37,808,755	9,816	\$36,625,232
Board of Regents / Four Year						
Austin Peay State University	1,145	\$3,456,863	1,470	\$5,057,277	1,269	\$4,541,275
East Tennessee State University	1,654	5,138,085	2,335	8,076,336	2,200	8,198,440
Middle Tennessee State University	3,869	11,753,958	5,034	17,243,122	4,819	18,042,040
Tennessee State University	534	1,718,655	531	1,842,981	366	1,322,400
Tennessee Technological Univer.	1,901	5,876,152	2,385	8,224,070	2,160	7,861,398
University of Memphis	2,158	6,771,771	2,763	9,692,192	2,036	7,622,984
TOTAL	11,261	\$34,715,484	14,518	\$50,135,977	12,850	\$47,588,537
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	436	\$680,681	498	\$877,449	390	\$655,601
Cleveland State Comm College	349	553,252	343	646,666	204	380,950
Columbia State Comm College	589	927,003	609	1,081,655	457	791,829
Dyersburg State Comm College	242	383,168	225	414,434	161	297,350
Jackson State Comm College	457	711,134	458	844,559	323	574,037
Motlow State Comm College	513	790,065	555	901,926	415	762,376
Nashville State Comm College	200	290,086	216	371,338	143	219,918
Northeast State Tech Comm Coll	437	708,864	512	969,483	391	721,050
Pellissippi State Tech Comm Coll	822	1,242,580	962	1,669,780	780	1,431,413
Roane State Community College	794	1,313,253	833	1,641,606	616	1,132,875
Southwest Tennessee Comm Coll	260	410,259	238	428,830	254	412,063
Volunteer State Community Coll	650	1,022,343	711	1,269,295	636	1,121,000
Walters State Community College	823	1,279,419	901	1,625,501	631	1,161,793
TOTAL	6,572	\$10,312,107	7,061	\$12,742,521	5,401	\$9,662,255
Total Awards By Institution Type						
Independent / Four-Year	5,318	\$16,715,547	7,134	\$25,376,393	5,788	\$20,872,441
Independent / Two-Year	110	182,750	77	135,938	66	123,500
Private / Business & Trade	0	0	48	146,330	53	194,550
University of Tennessee System	8,041	\$24,724,303	11,437	37,808,755	9,816	36,625,232
Board of Regents / Four-Year	11,261	34,715,484	14,518	50,135,977	12,850	47,588,537
State Tech / Community Colleges	6,572	10,312,107	7,061	12,742,521	5,401	9,662,255
GRAND TOTAL	31,302	\$86,650,191	40,275	\$126,345,913	33,974	\$115,066,515

**Tennessee Education Lottery Scholarship Program
HOPE w/ GAM
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	0	\$0	0	\$0
Baptist Mem. Coll. Health & Sci.	0	0	0	0	0	0
Belmont University	0	0	0	0	124	576,000
Bethel College	0	0	0	0	3	14,400
Bryan College	0	0	0	0	10	45,600
Carson Newman College	0	0	0	0	67	316,800
Christian Brothers University	0	0	0	0	29	132,000
Crichton College	0	0	0	0	2	9,600
Cumberland University	0	0	0	0	5	24,000
David Lipscomb University	0	0	0	0	130	609,600
Fisk University	0	0	0	0	1	4,800
Free Will Baptist Bible College	0	0	0	0	1	2,400
Freed Hardeman University	0	0	0	0	42	199,200
Johnson Bible College	0	0	0	0	1	4,800
King College	0	0	0	0	18	86,400
Lambuth University	0	0	0	0	27	127,200
Lane College	0	0	0	0	0	0
Lee University	0	0	0	0	50	237,600
LeMoyne-Owen College	0	0	0	0	0	0
Lincoln Memorial University	0	0	0	0	9	43,200
Martin Methodist University	0	0	0	0	9	42,725
Maryville College	0	0	0	0	80	372,000
Memphis College of Art	0	0	0	0	1	4,800
Milligan College	0	0	0	0	19	88,800
Rhodes College	0	0	0	0	124	535,200
South College	0	0	0	0	0	0
Southern Adventist University	0	0	0	0	13	57,600
Tennessee Wesleyan College	0	0	0	0	9	43,200
Trevecca Nazarene University	0	0	0	0	10	48,000
Tusculum College	0	0	0	0	7	33,600
Union University	0	0	0	0	89	403,200
University of the South	0	0	0	0	61	270,088
Vanderbilt University	0	0	0	0	370	1,755,100
Watkins Inst. Coll. Of Art & Des.	0	0	0	0	1	4,800
TOTAL	0	\$0	0	\$0	1,312	\$6,092,713
Independent / Two-Year						
Hiwassee College	0	\$0	0	\$0	0	\$0
John A. Gupton College	0	0	0	0	0	0
TOTAL	0	\$0	0	\$0	0	\$0
Private / Business & Trade						
O'More College of Design	0	\$0	0	\$0	2	\$9,600

**Tennessee Education Lottery Scholarship Program
HOPE w/ GAM
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	0	\$0	0	\$0	178	\$837,822
University of TN, Health Sci. Ctr.	0	0	0	0	0	0
University of TN, Knoxville	0	0	0	0	1,473	6,976,670
University of TN, Martin	0	0	0	0	94	444,000
TOTAL	0	\$0	0	\$0	1,745	\$8,258,492
Board of Regents / Four Year						
Austin Peay State University	0	\$0	0	\$0	64	\$295,200
East Tennessee State University	0	0	0	0	205	977,300
Middle Tennessee State University	0	0	0	0	333	1,585,864
Tennessee State University	0	0	0	0	6	28,800
Tennessee Technological Univer.	0	0	0	0	279	1,285,785
University of Memphis	0	0	0	0	145	688,800
TOTAL	0	\$0	0	\$0	1,032	\$4,861,749
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	0	\$0	0	\$0	1	\$2,364
Cleveland State Comm College	0	0	0	0	1	1,450
Columbia State Comm College	0	0	0	0	3	7,250
Dyersburg State Comm College	0	0	0	0	2	5,800
Jackson State Comm College	0	0	0	0	2	4,350
Motlow State Comm College	0	0	0	0	1	2,900
Nashville State Comm College	0	0	0	0	1	1,450
Northeast State Tech Comm Coll	0	0	0	0	2	4,350
Pellissippi State Tech Comm Coll	0	0	0	0	3	7,250
Roane State Community College	0	0	0	0	3	5,800
Soutwest Tennessee Comm Coll	0	0	0	0	1	2,900
Volunteer State Community Coll	0	0	0	0	5	14,500
Walters State Community College	0	0	0	0	3	7,250
TOTAL	0	\$0	0	\$0	28	\$67,614
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	0	\$0	1,312	\$6,092,713
Independent / Two-Year	0	0	0	0	0	0
Private / Business & Trade	0	0	0	0	2	9,600
University of Tennessee System	0	0	0	0	1,745	8,258,492
Board of Regents / Four-Year	0	0	0	0	1,032	4,861,749
State Tech / Community Colleges	0	0	0	0	28	67,614
GRAND TOTAL	0	\$0	0	\$0	4,119	\$19,290,168

**Tennessee Education Lottery Scholarship Program
HOPE w/ Aspire
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	0	\$0	15	\$71,550
Baptist Mem. Coll. Health & Sci.	0	0	0	0	20	93,700
Belmont University	0	0	0	0	110	545,900
Bethel College	0	0	0	0	97	495,550
Bryan College	0	0	0	0	54	275,600
Carson Newman College	0	0	0	0	156	799,625
Christian Brothers University	0	0	0	0	111	570,150
Crichton College	0	0	0	0	32	164,300
Cumberland University	0	0	0	0	83	378,950
David Lipscomb University	0	0	0	0	124	612,150
Fisk University	0	0	0	0	46	233,200
Free Will Baptist Bible College	0	0	0	0	10	53,000
Freed Hardeman University	0	0	0	0	84	432,700
Johnson Bible College	0	0	0	0	23	408,650
King College	0	0	0	0	59	304,000
Lambuth University	0	0	0	0	66	329,550
Lane College	0	0	0	0	68	331,250
Lee University	0	0	0	0	155	784,400
LeMoyne-Owen College	0	0	0	0	17	82,150
Lincoln Memorial University	0	0	0	0	98	197,063
Martin Methodist University	0	0	0	0	82	416,050
Maryville College	0	0	0	0	132	647,740
Memphis College of Art	0	0	0	0	15	62,850
Milligan College	0	0	0	0	33	164,300
Rhodes College	0	0	0	0	61	296,550
South College	0	0	0	0	16	77,733
Southern Adventist University	0	0	0	0	27	142,437
Tennessee Wesleyan College	0	0	0	0	84	439,150
Trevecca Nazarene University	0	0	0	0	40	206,700
Tusculum College	0	0	0	0	91	469,050
Union University	0	0	0	0	143	716,750
University of the South	0	0	0	0	40	198,000
Vanderbilt University	0	0	0	0	129	675,087
Watkins Inst. Coll. Of Art & Des.	0	0	0	0	10	49,025
TOTAL	0	\$0	0	\$0	2,331	\$11,724,860
Independent / Two-Year						
Hiwassee College	0	\$0	0	\$0	42	\$140,350
John A. Gupton College	0	0	0	0	6	18,700
TOTAL	0	\$0	0	\$0	48	\$159,050
Private / Business & Trade						
O'More College of Design	0	\$0	0	\$0	13	\$63,600

**Tennessee Education Lottery Scholarship Program
HOPE w/ Aspire
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	0	\$0	0	\$0	612	\$3,154,519
University of TN, Health Sci. Ctr.	0	0	0	0	26	127,200
University of TN, Knoxville	0	0	0	0	1,557	8,104,360
University of TN, Martin	0	0	0	0	525	2,685,887
TOTAL	0	\$0	0	\$0	2,720	\$14,071,966
Board of Regents / Four Year						
Austin Peay State University	0	\$0	0	\$0	569	\$2,778,337
East Tennessee State University	0	0	0	0	878	4,540,647
Middle Tennessee State University	0	0	0	0	1,536	8,007,037
Tennessee State University	0	0	0	0	329	1,642,405
Tennessee Technological Univer.	0	0	0	0	752	3,749,975
University of Memphis	0	0	0	0	798	4,155,800
TOTAL	0	\$0	0	\$0	4,862	\$24,874,201
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	0	\$0	0	\$0	162	\$462,522
Cleveland State Comm College	0	0	0	0	86	282,844
Columbia State Comm College	0	0	0	0	175	539,377
Dyersburg State Comm College	0	0	0	0	116	386,750
Jackson State Comm College	0	0	0	0	180	566,128
Motlow State Comm College	0	0	0	0	177	589,237
Nashville State Comm College	0	0	0	0	87	248,121
Northeast State Tech Comm Coll	0	0	0	0	180	593,110
Pellissippi State Tech Comm Coll	0	0	0	0	314	1,035,300
Roane State Community College	0	0	0	0	360	1,199,250
Soutwest Tennessee Comm Coll	0	0	0	0	153	431,800
Volunteer State Community Coll	0	0	0	0	291	924,377
Walters State Community College	0	0	0	0	430	1,415,500
TOTAL	0	\$0	0	\$0	2,711	\$8,674,316
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	0	\$0	2,331	\$11,724,860
Independent / Two-Year	0	0	0	0	48	159,050
Private / Business & Trade	0	0	0	0	13	63,600
University of Tennessee System	0	0	0	0	2,720	14,071,966
Board of Regents / Four-Year	0	0	0	0	4,862	24,874,201
State Tech / Community Colleges	0	0	0	0	2,711	8,674,316
GRAND TOTAL	0	\$0	0	\$0	12,685	\$59,567,993

**Tennessee Education Lottery Scholarship Program
HOPE Foster Care Grant
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
<u>Independent / Four -Year</u>						
Aquinas College	0	\$0	0	\$0	0	\$0
Baptist Mem. Coll. Health & Sci.	0	0	0	0	0	0
Belmont University	0	0	0	0	0	0
Bethel College	0	0	0	0	0	0
Bryan College	0	0	0	0	0	0
Carson Newman College	0	0	0	0	0	0
Christian Brothers University	0	0	0	0	0	0
Crichton College	0	0	0	0	0	0
Cumberland University	0	0	0	0	0	0
David Lipscomb University	0	0	0	0	0	0
Fisk University	0	0	0	0	0	0
Free Will Baptist Bible College	0	0	0	0	0	0
Freed Hardeman University	0	0	0	0	0	0
Johnson Bible College	0	0	0	0	0	0
King College	0	0	0	0	0	0
Lambuth University	0	0	0	0	0	0
Lane College	0	0	0	0	0	0
Lee University	0	0	0	0	0	0
LeMoyne-Owen College	0	0	0	0	0	0
Lincoln Memorial University	0	0	0	0	0	0
Martin Methodist University	0	0	0	0	0	0
Maryville College	0	0	0	0	0	0
Memphis College of Art	0	0	0	0	0	0
Milligan College	0	0	0	0	0	0
Rhodes College	0	0	0	0	0	0
South College	0	0	0	0	0	0
Southern Adventist University	0	0	0	0	0	0
Tennessee Wesleyan College	0	0	0	0	0	0
Trevecca Nazarene University	0	0	0	0	0	0
Tusculum College	0	0	0	0	0	0
Union University	0	0	0	0	1	253
University of the South	0	0	0	0	0	0
Vanderbilt University	0	0	0	0	0	0
Watkins Inst. Coll. Of Art & Des.	0	0	0	0	0	0
TOTAL	0	\$0	0	\$0	1	\$253
<u>Independent / Two-Year</u>						
Hiwassee College	0	\$0	0	\$0	0	\$0
John A. Gupton College	0	0	0	0	0	0
TOTAL	0	\$0	0	\$0	0	\$0
<u>Private / Business & Trade</u>						
O'More College of Design	0	\$0	0	\$0	0	\$0
<u>University of Tennessee System</u>						
University of TN, Chattanooga	0	\$0	3	\$10,966	0	\$0
University of TN, Health Sci. Ctr.	0	0	0	0	0	0
University of TN, Knoxville	0	0	1	2,798	1	159
University of TN, Martin	0	0	2	3,206	0	0
TOTAL	0	\$0	6	\$16,970	1	\$159

**Tennessee Education Lottery Scholarship Program
HOPE Access Grant
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	1	\$2,000	0	\$0	0	\$0
Baptist Mem. Coll. Health & Sci.	0	0	1	1,200	0	0
Belmont University	0	0	1	2,400	0	0
Bethel College	0	0	3	7,200	4	10,600
Bryan College	0	0	1	2,400	0	0
Carson Newman College	0	0	2	3,600	4	10,600
Christian Brothers University	1	2,000	0	0	5	11,925
Crichton College	0	0	0	0	1	2,650
Cumberland University	2	4,000	1	1,200	4	10,600
David Lipscomb University	1	2,000	0	0	0	0
Fisk University	1	1,000	0	0	0	2,650
Free Will Baptist Bible College	0	0	0	0	0	0
Freed Hardeman University	0	0	1	2,400	1	2,650
Johnson Bible College	0	0	0	0	1	2,650
King College	1	2,000	0	0	0	0
Lambuth University	0	0	0	0	0	0
Lane College	1	1,000	1	1,200	0	0
Lee University	0	0	1	2,400	1	2,650
LeMoyne-Owen College	1	2,000	1	2,400	0	0
Lincoln Memorial University	0	0	3	7,200	1	1,325
Martin Methodist University	1	2,000	2	4,800	0	0
Maryville College	1	2,000	2	4,800	2	3,975
Memphis College of Art	0	0	0	0	0	0
Milligan College	0	0	0	0	0	0
Rhodes College	0	0	0	0	0	0
South College	0	0	0	0	4	9,717
Southern Adventist University	0	0	0	0	0	0
Tennessee Wesleyan College	1	1,000	3	6,000	4	10,600
Trevecca Nazarene University	0	0	2	4,800	2	5,300
Tusculum College	0	0	0	0	0	0
Union University	0	0	0	0	2	5,300
University of the South	0	0	0	0	0	0
Vanderbilt University	0	0	0	0	1	2,650
Watkins Inst. Coll. Of Art & Des.	0	0	0	0	0	0
TOTAL	12	\$21,000	25	\$54,000	37	\$95,842
Independent / Two-Year						
Hiwassee College	1	\$1,250	0	\$0	1	\$850
John A. Gupton College	0	0	1	1575	0	0
TOTAL	1	\$1,250	1	\$1,575	1	\$850
Private / Business & Trade						
O'More College of Design	0	\$0	0	\$0	0	\$0

**Tennessee Education Lottery Scholarship Program
HOPE Access Grant
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
<u>University of Tennessee System</u>						
University of TN, Chattanooga	8	\$16,000	16	\$30,000	30	\$75,525
University of TN, Health Sci. Ctr.	0	0	0	0	0	0
University of TN, Knoxville	3	3,779	11	20,722	7	17,225
University of TN, Martin	5	5,000	21	44,400	19	49,025
TOTAL	16	\$24,779	48	\$95,122	56	\$141,775
<u>Board of Regents / Four Year</u>						
Austin Peay State University	8	\$15,000	19	\$36,000	23	\$57,969
East Tennessee State University	1	2,000	11	22,800	15	37,575
Middle Tennessee State University	7	9,000	35	69,900	38	98,038
Tennessee State University	7	11,000	10	22,800	28	72,875
Tennessee Technological Univer.	2	2,000	10	19,200	10	23,850
University of Memphis	12	22,000	39	86,400	56	129,850
TOTAL	37	\$61,000	124	\$257,100	170	\$420,157
<u>State Tech / Community Colleges</u>						
Chattanooga State Tech Com Coll	0	\$0	1	\$1,575	11	\$14,875
Cleveland State Comm College	2	1,250	7	8,663	7	9,350
Columbia State Comm College	1	937	5	5,514	7	10,038
Dyersburg State Comm College	4	2,500	7	6,890	10	15,300
Jackson State Comm College	6	7,344	7	10,632	15	21,888
Motlow State Comm College	5	5,625	10	10,634	12	20,400
Nashville State Comm College	3	3,125	0	0	6	7,650
Northeast State Tech Comm Coll	5	5,000	1	1,575	6	10,200
Pellissippi State Tech Comm Coll	8	8,750	6	7,677	18	25,500
Roane State Community College	3	3,750	11	14,571	12	15,300
Soutwest Tennessee Comm Coll	0	0	0	0	12	18,700
Volunteer State Community Coll	1	1,250	5	6,891	5	5,950
Walters State Community College	4	5,000	7	7,875	16	23,800
TOTAL	42	\$44,531	67	\$82,497	137	\$198,951
<u>Total Awards By Institution Type</u>						
Independent / Four-Year	12	\$21,000	25	\$54,000	37	\$95,842
Independent / Two-Year	1	1,250	1	1,575	1	850
Private / Business & Trade	0	0	0	0	0	0
University of Tennessee System	16	24,779	48	95,122	56	141,775
Board of Regents / Four-Year	37	61,000	124	257,100	170	420,157
State Tech / Community Colleges	42	44,531	67	82,497	137	198,951
GRAND TOTAL	108	\$152,560	265	\$490,294	401	\$857,575

**Tennessee Education Lottery Scholarship Program
Wilder-Naifeh Technical Skills Grant
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Technology Centers						
TN Tech Center at Athens	151	\$149,372	197	\$165,981	288	\$344,095
TN Tech Center at Chattanooga	506	409,534	505	466,953	481	422,209
TN Tech Center at Covington	133	98,608	160	117,032	208	246,426
TN Tech Center at Crossville	267	211,538	310	253,674	488	579,577
TN Tech Center at Crump	262	176,060	279	206,856	407	471,990
TN Tech Center at Dickson	358	262,837	423	346,240	684	707,637
TN Tech Center at Elizabethton	405	302,078	484	382,182	695	846,725
TN Tech Center at Harriman	197	179,712	193	180,317	312	344,682
TN Tech Center at Hartsville	194	165,508	208	177,533	305	371,846
TN Tech Center at Hohenwald	333	266,368	387	325,838	489	537,433
TN Tech Center at Jacksboro	193	131,768	180	142,030	283	307,133
TN Tech Center at Jackson	499	398,675	510	406,106	776	912,773
TN Tech Center at Knoxville	507	382,651	610	479,799	827	781,409
TN Tech Center at Livingston	357	269,123	377	311,492	498	594,446
TN Tech Center at McKenzie	290	201,403	268	212,246	339	344,233
TN Tech Center at McMinnville	216	171,877	221	180,170	430	500,830
TN Tech Center at Memphis	694	542,387	753	614,770	1,335	1,769,312
TN Tech Center at Morristown	788	521,168	952	571,272	973	1,111,348
TN Tech Center at Murfreesboro	242	210,400	302	266,124	426	536,208
TN Tech Center at Nashville	571	399,025	656	469,627	787	924,465
TN Tech Center at Newbern	230	149,543	196	162,662	308	384,089
TN Tech Center at Oneida	93	67,893	111	72,562	259	255,612
TN Tech Center at Paris	327	227,146	387	305,385	622	759,453
TN Tech Center at Pulaski	215	152,341	371	292,211	490	490,526
TN Tech Center at Ripley	170	121,760	231	171,098	230	282,255
TN Tech Center at Shelbyville	433	314,477	557	410,339	781	600,078
TN Tech Center at Whiteville	184	130,053	195	169,663	244	225,629
TOTAL	8,815	\$6,613,305	10,023	\$7,860,163	13,965	\$15,652,418

**Tennessee Education Lottery Scholarship Program
HOPE Foster Care Grant
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Board of Regents / Four Year						
Austin Peay State University	0	\$0	4	\$9,839	2	\$5,549
East Tennessee State University	0	0	4	18,709	3	7,615
Middle Tennessee State University	0	0	2	7,136	0	0
Tennessee State University	0	0	1	2,317	0	0
Tennessee Technological Univer.	0	0	1	3,140	0	0
University of Memphis	0	0	4	10,598	0	0
TOTAL	0	\$0	16	\$51,739	5	\$13,164
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	0	\$0	0	\$0	0	\$0
Cleveland State Comm College	0	0	2	2,406	0	0
Columbia State Comm College	0	0	1	795	0	0
Dyersburg State Comm College	0	0	0	0	0	0
Jackson State Comm College	0	0	1	6,500	2	3,721
Motlow State Comm College	0	0	0	0	0	0
Nashville State Comm College	0	0	0	0	0	0
Northeast State Tech Comm Coll	0	0	1	3,469	1	1,246
Pellissippi State Tech Comm Coll	0	0	2	4,631	0	0
Roane State Community College	0	0	1	1,735	0	0
Soutwest Tennessee Comm Coll	0	0	0	0	0	0
Volunteer State Community Coll	0	0	0	0	0	0
Walters State Community College	0	0	0	0	0	0
TOTAL	0	\$0	8	\$19,536	3	\$4,966
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	0	\$0	1	\$253
Independent / Two-Year	0	0	0	0	0	0
Private Business / Trade	0	0	0	0	0	0
University of Tennessee System	0	0	6	16,970	1	159
Board of Regents / Four-Year	0	0	16	51,739	5	13,164
State Tech / Community Colleges	0	0	8	19,536	3	4,966
GRAND TOTAL	0	\$0	30	\$88,245	10	\$18,541

**Tennessee Education Lottery Scholarship Program
Dual Enrollment Grant
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	2	\$600	0	\$0
Baptist Mem. Coll. Health & Sci.	0	\$0	0	0	0	0
Belmont University	0	\$0	0	0	0	0
Bethel College	0	\$0	0	0	0	0
Bryan College	0	\$0	2	600	9	3,300
Carson Newman College	0	\$0	17	6,600	5	1,500
Christian Brothers University	0	\$0	74	34,935	76	22,800
Crichton College	0	\$0	11	4,800	15	4,500
Cumberland University	0	\$0	53	30,600	56	16,800
David Lipscomb University	0	\$0	26	9,300	78	23,400
Fisk University	0	\$0	0	0	0	0
Free Will Baptist Bible College	0	\$0	0	0	0	0
Freed Hardeman University	0	\$0	46	20,100	61	18,300
Johnson Bible College	0	\$0	0	0	0	0
King College	0	\$0	37	10,600	48	14,400
Lambuth University	0	\$0	0	0	0	0
Lane College	0	\$0	0	0	0	0
Lee University	0	\$0	33	10,875	30	6,800
LeMoyne-Owen College	0	\$0	0	0	0	0
Lincoln Memorial University	0	\$0	0	0	0	0
Martin Methodist University	0	\$0	83	32,400	46	13,800
Maryville College	0	\$0	1	300	3	900
Memphis College of Art	0	\$0	0	0	0	0
Milligan College	0	\$0	0	0	1	300
Rhodes College	0	\$0	0	0	0	0
South College	0	\$0	0	0	0	0
Southern Adventist University	0	\$0	0	0	6	1,800
Tennessee Wesleyan College	0	\$0	0	0	0	0
Trevecca Nazarene University	0	\$0	0	0	0	0
Tusculum College	0	\$0	0	0	0	0
Union University	0	\$0	3	900	4	1,200
University of the South	0	\$0	0	0	0	0
Vanderbilt University	0	\$0	0	0	0	0
Watkins Inst. Coll. Of Art & Des.	0	\$0	0	0	0	0
TOTAL	0	\$0	388	\$162,610	438	\$129,800
Independent / Two-Year						
Hiwassee College	0	\$0	52	\$24,080	93	\$27,900
John A. Gupton College	0	0	0	0	0	0
TOTAL	0	\$0	52	\$24,080	93	\$27,900
Private / Business & Trade						
O'More College of Design	0	\$0	0	\$0	0	\$0

**Tennessee Education Lottery Scholarship Program
Dual Enrollment Grant
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	0	\$0	27	\$12,300	33	\$8,100
University of TN, Health Sci. Ctr.	0	\$0	0	0	0	0
University of TN, Knoxville	0	\$0	3	1,200	6	1,800
University of TN, Martin	0	\$0	544	231,300	574	172,200
TOTAL	0	\$0	574	\$244,800	613	\$182,100
Board of Regents / Four Year						
Austin Peay State University	0	\$0	16	\$8,400	12	\$3,600
East Tennessee State University	0	\$0	21	6,900	15	4,500
Middle Tennessee State University	0	\$0	9	4,800	9	2,700
Tennessee State University	0	\$0	1	600	0	0
Tennessee Technological Univer.	0	\$0	50	28,057	38	11,400
University of Memphis	0	\$0	0	0	145	43,500
TOTAL	0	\$0	97	\$48,757	219	\$65,700
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	0	\$0	613	\$171,900	668	\$200,400
Cleveland State Comm College	0	\$0	217	88,602	231	68,372
Columbia State Comm College	0	\$0	289	104,000	276	82,500
Dyersburg State Comm College	0	\$0	93	31,511	260	73,084
Jackson State Comm College	0	\$0	45	21,600	55	16,500
Motlow State Comm College	0	\$0	260	116,421	374	108,926
Nashville State Comm College	0	\$0	250	93,205	201	59,083
Northeast State Tech Comm Coll	0	\$0	179	71,492	0	0
Pellissippi State Tech Comm Coll	0	\$0	279	101,346	448	134,200
Roane State Community College	0	\$0	271	119,145	266	78,487
Soutwest Tennessee Comm Coll	0	\$0	95	33,418	0	0
Volunteer State Community Coll	0	\$0	894	327,036	896	254,996
Walters State Community College	0	\$0	340	120,684	374	111,750
TOTAL	0	\$0	3,825	\$1,400,359	4,049	\$1,188,296

**Tennessee Education Lottery Scholarship Program
Dual Enrollment Grant
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Technology Centers						
TN Tech Center at Athens	0	\$0	0	\$0	0	\$0
TN Tech Center at Chattanooga	0	\$0	0	0	0	0
TN Tech Center at Covington	0	\$0	19	5,700	17	5,100
TN Tech Center at Crossville	0	\$0	81	26,700	34	10,200
TN Tech Center at Crump	0	\$0	3	800	17	5,100
TN Tech Center at Dickson	0	\$0	0	0	0	0
TN Tech Center at Elizabethton	0	\$0	0	0	0	0
TN Tech Center at Harriman	0	\$0	4	1,200	0	0
TN Tech Center at Hartsville	0	\$0	13	4,800	8	2,400
TN Tech Center at Hohenwald	0	\$0	54	16,200	0	0
TN Tech Center at Jacksboro	0	\$0	20	6,000	13	3,900
TN Tech Center at Jackson	0	\$0	0	0	11	3,300
TN Tech Center at Knoxville	0	\$0	0	0	0	0
TN Tech Center at Livingston	0	\$0	61	25,800	92	27,600
TN Tech Center at McKenzie	0	\$0	3	900	15	4,500
TN Tech Center at McMinnville	0	\$0	0	0	0	0
TN Tech Center at Memphis	0	\$0	0	0	0	0
TN Tech Center at Morristown	0	\$0	25	11,400	30	8,800
TN Tech Center at Murfreesboro	0	\$0	1	300	1	300
TN Tech Center at Nashville	0	\$0	0	0	0	0
TN Tech Center at Newbern	0	\$0	25	11,400	19	5,550
TN Tech Center at Oneida	0	\$0	85	24,900	116	33,925
TN Tech Center at Paris	0	\$0	64	19,050	5	1,500
TN Tech Center at Pulaski	0	\$0	71	24,600	57	17,000
TN Tech Center at Ripley	0	\$0	0	0	0	0
TN Tech Center at Shelbyville	0	\$0	0	0	0	0
TN Tech Center at Whiteville	0	\$0	0	0	7	1,400
TOTAL	0	\$0	529	\$179,750	442	\$130,575
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	388	\$162,610	438	\$129,800
Independent / Two-Year	0	0	52	24,080	93	27,900
Private / Business & Trade	0	0	0	0	0	0
University of Tennessee System	0	0	574	244,800	613	182,100
Board of Regents / Four-Year	0	0	97	48,757	219	65,700
State Tech / Community Colleges	0	0	3,825	1,400,359	4,049	1,188,296
Technology Centers	0	0	529	179,750	442	130,575
GRAND TOTAL	0	\$0	5,465	\$2,060,356	5,854	\$1,724,371

**Tennessee Education Lottery Scholarship Program
Math and Science Teachers Program
Awards By Institution**

	2004-2005		2005-2006		2006-2007	
	Actual Recipients		Actual Recipients		Eligible Through 02/01/07	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	0	\$0	0	\$0
Baptist Mem. Coll. Health & Sci.	0	\$0	0	\$0	0	0
Belmont University	0	\$0	0	\$0	0	0
Bethel College	0	\$0	0	\$0	0	0
Bryan College	0	\$0	0	\$0	0	0
Carson Newman College	0	\$0	0	\$0	0	0
Christian Brothers University	0	\$0	0	\$0	0	0
Crichton College	0	\$0	0	\$0	0	0
Cumberland University	0	\$0	0	\$0	0	0
David Lipscomb University	0	\$0	0	\$0	0	0
Fisk University	0	\$0	0	\$0	0	0
Free Will Baptist Bible College	0	\$0	0	\$0	0	0
Freed Hardeman University	0	\$0	0	\$0	0	0
Johnson Bible College	0	\$0	0	\$0	0	0
King College	0	\$0	0	\$0	0	0
Lambuth University	0	\$0	0	\$0	0	0
Lane College	0	\$0	0	\$0	0	0
Lee University	0	\$0	0	\$0	0	0
LeMoyne-Owen College	0	\$0	0	\$0	0	0
Lincoln Memorial University	0	\$0	0	\$0	0	0
Martin Methodist University	0	\$0	0	\$0	0	0
Maryville College	0	\$0	0	\$0	0	0
Milligan College	0	\$0	0	\$0	0	0
Rhodes College	0	\$0	0	\$0	0	0
South College	0	\$0	0	\$0	0	0
Southern Adventist University	0	\$0	0	\$0	0	0
Tennessee Wesleyan College	0	\$0	0	\$0	0	0
Trevecca Nazarene University	0	\$0	0	\$0	0	0
Tusculum College	0	\$0	0	\$0	0	0
Union University	0	\$0	0	\$0	0	0
University of the South	0	\$0	0	\$0	0	0
Vanderbilt University	0	\$0	0	\$0	0	0
TOTAL	0	\$0	0	\$0	0	\$0
University of Tennessee System						
University of TN, Chattanooga	0	\$0	0	\$0	0	\$0
University of TN, Health Sci. Ctr.	0	\$0	0	0	0	0
University of TN, Knoxville	0	\$0	0	0	0	0
University of TN, Martin	0	\$0	0	0	0	0
TOTAL	0	\$0	0	\$0	0	\$0
Board of Regents / Four Year						
Austin Peay State University	0	\$0	0	\$0	0	\$0
East Tennessee State University	0	\$0	0	0	0	0
Middle Tennessee State University	0	\$0	0	0	0	0
Tennessee State University	0	\$0	0	0	0	0
Tennessee Technological Univer.	0	\$0	0	0	0	0
University of Memphis	0	\$0	0	0	0	0
TOTAL	0	\$0	0	\$0	0	\$0
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	0	\$0	0	\$0
University of Tennessee System	0	0	0	0	0	0
Board of Regents / Four-Year	0	0	0	0	0	0
GRAND TOTAL	0	\$0	0	\$0	0	\$0

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM C: Merit and Loan Forgiveness Programs Status Report

Staff Recommendation For information only.

Background The Dependent Children Scholarship, Minority Teaching Fellows, Ned McWherter Scholars, and Tennessee Teaching Scholars are state funded programs administered by TSAC. The Robert C. Byrd Honors Scholarship is a federally funded program that is also administered by TSAC.

Available TSAC resources for 2006-07 total about \$2.4 million. The 2006-2007 year-to-date figures indicate 1,057 students receiving \$2,615,377.

Supporting Document *Tennessee Student Assistance Corporation Grant and Scholarships, March 22, 2007.*

Tennessee Student Assistance Corporation Merit and Loan Forgiveness
Programs Status Report

March 22, 2007

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

TENNESSEE STUDENT ASSISTANCE CORPORATION
Merit and Loan Forgiveness Programs

	Dependent Children		Minority Teaching Fellows		Ned McWhorter Scholars		Robert C. Byrd Teaching Honors		Tennessee Teaching Scholars	
	Students	\$	Students	\$	Students	\$	Students	\$	Students	\$
INDEPENDENT/FOUR-YEAR										
American Baptist College										
Aquinas College										
Aquinas College – Primetime										
Baptist Memorial College of Health										
Belmont University	1	11,922		15,000	11	33,000	1	1,500	3	11,250
Bethel College			3				5	6,750		
Bryan College					1	1,500	1	1,500		
Carson-Newman College	1	5,574			1	3,000	2	2,250		
Christian Brothers University			3	12,500	1	3,000	12	18,000	11	41,050
Crichton College			2	10,000	1	3,000	4	6,000		
Cumberland University					1	3,000	1	750		
David Lipscomb University	2	11,148	1	5,000	6	18,000	2	3,000	2	6,750
Fisk University			1	5,000			15	22,500	6	22,500
Free Will Baptist Bible College										
Freed-Hardeman University			1	5,000	4	12,000	6	9,000	2	9,000
Johnson Bible College			1	5,000			1	1,500		
King College							2	3,000		
Lambuth University	1	5,574					4	6,000		
Lane College										
Lee University			1	5,000	2	6,000	8	12,000	8	29,250
LeMoyné-Owen College							1	750		
Lincoln Memorial University							3	4,500	4	10,125
Martin Methodist College							5	7,500	6	24,750
Maryville College					3	9,000	6	8,250	3	13,500
Memphis College of Art										
Milligan College							1	1,500	3	11,250
Rhodes College					8	22,500	4	6,000		
South College										
Southern Adventist University							1	1,500		
Tennessee Temple University										
Tennessee Wesleyan College							3	4,500	7	27,000
Trevecca Nazarene University							3	3,750	5	12,375
Tusculum College							1	1,500	1	2,250
Union University	1	5,574			1	3,000	12	18,000	1	2,250
University of the South					3	9,000	2	3,000		
Vanderbilt University			2	10,000	62	177,000	7	10,125	1	3,937
Watkins Inst College of Art and Design										
TOTAL:	6	39,792	15	72,500	104	300,000	113	164,625	63	227,237

TENNESSEE STUDENT ASSISTANCE CORPORATION
Merit and Loan Forgiveness Programs

Dependent Children	Minority Teaching Fellows	Ned McWhorter Scholars	Robert C. Byrd Teaching Honors	Tennessee Teaching Scholars
Students	\$	Students	\$	Students
Austin Peay State University	5	25,000	1	3,000
East Tennessee State University	2	5,000	3	9,000
Middle Tennessee State University	14	67,500	7	19,500
Tennessee State University	8	40,000	1	3,000
Tennessee Technological University	4	20,000	7	21,000
University of Memphis	<u>4</u>	<u>20,845</u>	<u>4</u>	<u>12,000</u>
TOTAL:	13	67,701	23	67,500

UNIVERSITY OF TENNESSEE SYSTEM

University of Tennessee, Chattanooga	1	5,574	14	60,732	2	4,500	27	37,500	10	36,000
University of Tennessee, Knoxville	1	5,574	8	37,500	46	132,000	107	154,500	51	222,750
University of Tennessee, Martin	1	2,787	10	45,000	5	15,000	32	45,750	13	51,750
University of Tn, Memphis-Health Science										
TOTAL:	3	13,935	32	143,232	53	151,500	166	237,750	74	310,500

STATE TECH/COMMUNITY COLLEGES

Chattanooga State Tech Community College					3	3,000				
Cleveland State Community College							2	3,000		
Columbia State Community College							4	5,250		
Dyersburg State Community College	3	8,205	2	7,500			3	3,750		
Jackson State Community College							4	6,000		
Motlow State Community College										
Nashville State Tech Community College	1	2,628								
Northeast State Tech Community College	1	5,790	1	5,000			4	6,000		
Pellissippi State Tech Community College							4	5,250		
Roane State Community College	2	7,854					3	3,000		
Southwest Tennessee Community College	1	6,396	1	5,000			1	1,500		
Volunteer State Community College	1	3,441	1	5,000			3	2,250		
Walters State Community College							<u>8</u>	<u>10,500</u>		
TOTAL:	9	34,314	5	22,500	39	49,500				

Merit and Loan Forgiveness Programs

AGENDA 50

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM D: Federal Family Education Loan Program Status Report

Staff Recommendation Discussion only.

Background The Federal Family Education Loan Program provides three types of new loans.

Subsidized Stafford loans are made to students who demonstrate financial need. Students do not have to begin repayment until they leave school, and the federal government pays the interest while the students are enrolled.

Students unable to demonstrate financial need may receive similar *unsubsidized Stafford loans*. While repayment is deferred until the students leave school, they are responsible for the interest while they are enrolled.

PLUS loans are made to parents of students. Financial need is not a factor, and repayment begins immediately.

The first supporting document reflects that TSAC guaranteed \$732 million in these three programs in 2005-06. In the first seven months of 2006-07 processing, \$575 million has been guaranteed. Details are provided in the document *Federal Family Education Loan Program Update, Loan Volume Comparison for 2005-06 to 2006-07*, March 22, 2007.

Supporting Document *Federal Family Education Loan Program Update, Loan Volume Comparison for 2005-06 to 2006-07*, March 22, 2007.

Federal Family Education Loan Program Update

Loan Volume Comparison 2005-06 to 2006-07

March 22, 2007

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1510
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Federal Family Education Loan Program

	2005-06		2006-07	
	Actual		As of 1/31/07	
	<u>Loans*</u>	<u>\$</u>	<u>Loans*</u>	<u>\$</u>
<u>Stafford Loan Program (Subsidized)</u>				
Independent / Four-Year	27,741	\$106,694,202	17,434	\$68,055,379
Independent / Two-Year	232	521,177	213	516,833
Private/Business and Trade	9,235	24,885,687	4,601	12,515,068
Board of Regents	19,540	66,340,523	14,276	52,934,802
University of Tennessee System	13,754	54,865,563	14,010	61,891,354
State Tech/Community Colleges	13,658	31,694,401	11,528	28,241,757
School of Nursing	8	11,378	0	0
Tennessee Technology Centers	<u>146</u>	<u>302,160</u>	<u>74</u>	<u>166,412</u>
	84,314	\$285,315,091	62,136	\$224,321,605
<u>Stafford Loan Program (Unsubsidized)</u>				
Independent / Four-Year	23,985	\$112,093,272	14,453	\$68,087,655
Independent / Two-Year	181	548,503	149	571,480
Private/Business and Trade	9,033	25,120,895	4,699	14,404,048
Board of Regents	15,222	54,451,236	11,416	45,923,665
University of Tennessee System	12,142	55,104,858	11,742	63,282,991
State Tech/Community Colleges	7,396	18,102,694	6,003	15,862,780
School of Nursing	8	13,330	0	0
Tennessee Technology Centers	<u>131</u>	<u>403,073</u>	<u>65</u>	<u>207,188</u>
	68,098	\$265,837,861	48,527	\$208,339,807
<u>PLUS Loan Program</u>				
Independent / Four-Year	4,906	\$49,487,298	3,795	\$37,999,839
Independent / Two-Year	28	110,566	20	125,247
Private/Business and Trade	616	4,367,729	421	3,692,136
Board of Regents	2,312	13,995,585	1,988	14,583,452
University of Tennessee System	1,707	11,935,331	1,933	15,377,744
State Tech/Community Colleges	161	672,300	130	545,721
Tennessee Technology Centers	<u>1</u>	<u>7,500</u>	<u>1</u>	<u>7,500</u>
	9,731	\$80,576,309	8,288	\$72,331,639
<u>COMBINED LOAN PROGRAMS</u>				
Independent / Four-Year	56,632	\$268,274,772	35,682	\$174,142,873
Independent / Two-Year	441	1,180,246	382	1,213,560
Private/Business and Trade	18,884	54,374,311	9,721	30,611,252
Board of Regents	37,074	134,787,344	27,680	113,441,919
University of Tennessee System	27,603	121,905,752	27,685	140,552,089
State Tech/Community Colleges	21,215	50,469,395	17,661	44,650,258
School of Nursing	16	24,708	0	0
Tennessee Technology Centers	<u>278</u>	<u>712,733</u>	<u>140</u>	<u>381,100</u>
	162,143	\$631,729,261	118,951	\$504,993,051
<u>Other (Out-of-State) Schools</u>	25,428	\$99,989,462	17,637	\$70,251,360
<u>GRAND TOTAL</u>	187,571	\$731,718,723	136,588	\$575,244,411

* Note that the number of loans is reported on a semester or term basis. For example, two loans would be reported for an individual who borrowed in both the fall and spring semesters.

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Subsidized*)

	2005-06		2006-07	
	Actual		As of 1/31/07	
	Loans*	\$	Loans*	\$
<u>INDEPENDENT/FOUR-YEAR</u>				
Aquinas College (All Branches)	832	\$2,097,668	204	\$578,060
Baptist Memorial College of Health	693	2,452,383	379	1,200,559
Belmont University	2,735	13,034,986	339	1,532,696
Bethel College	1,908	5,768,536	1,160	3,545,579
Bryan College	487	1,670,671	453	1,556,543
Carson-Newman College	1,266	4,005,628	889	2,997,936
Christian Brothers University	1,087	4,229,979	912	3,705,413
Church of God Theological Seminary	101	690,689	32	255,033
Cumberland University	799	2,314,905	605	1,983,424
Emmanuel School of Religion	26	162,620	24	151,770
Free Will Baptist Bible College	213	796,270	183	760,172
Freed-Hardeman University	20	91,719	3	11,550
Johnson Bible College	335	1,148,792	323	1,169,297
King College	611	2,560,918	352	1,416,605
Lambuth University	412	1,445,722	366	1,317,884
Lee University	2,988	10,097,849	1,534	5,780,315
Lincoln Memorial University	1,872	6,471,096	1,331	5,125,990
Lipscomb University	1,152	4,037,334	1,009	3,633,242
Martin Methodist College	546	1,682,895	526	1,748,065
Maryville College	464	1,706,836	621	2,296,365
Meharry Medical College	429	3,559,189	279	2,259,747
Memphis College of Art	56	199,998	69	285,114
Memphis Theological Seminary	23	171,723	20	141,146
Milligan College	655	2,991,284	323	1,381,863
Rhodes College	55	239,496	59	229,109
Southern College of Optometry	2	17,000	0	0
Temple Baptist Seminary	13	71,249	32	133,961
Tennessee Temple University	15	35,341	268	877,236
Tennessee Wesleyan College	420	1,365,338	504	1,850,624
Trevecca Nazarene University	1,570	6,747,014	776	3,399,297
Tusculum College	2,109	6,973,541	1,345	4,679,009
Union University	1,571	6,570,246	1,178	5,976,131
University of the South	353	1,087,184	258	762,635
Vanderbilt University (All Branches)	1,723	9,501,625	970	4,897,137
Watkins College of Art and Design	200	696,478	108	415,872
TOTAL	27,741	\$106,694,202	17,434	\$68,055,379
AVERAGE LOAN		\$3,846		\$3,904

INDEPENDENT/TWO-YEAR

Hiwassee College	173	\$382,315	157	\$387,569
John A Guppton College	59	138,862	56	129,264
TOTAL	232	\$ 521,177	213	\$516,833
AVERAGE LOAN		\$2,246		\$2,426

BUSINESS & TRADE

Arnolds Beauty School	35	\$131,925	29	\$62,446
Concorde Career Institute	5	8,867	4	8,830

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Subsidized*)

	2005-06		2006-07	
	Actual		As of 1/31/07	
	Loans*	\$	Loans*	\$
Draughon's Junior College (All Branches)	3,916	9,799,969	2,053	5,258,291
Electronic Computer Programming College	131	298,490	74	166,482
Fountainhead College of Technology	188	601,867	48	159,284
ITT Technical Institute (All Branches)	5	14,875	4	13,625
Institute of Hair Design	4	10,500	0	0
Jon Nave University of Cosmetology	9	15,575	77	194,961
McCollum & Ross - The Hair School	79	197,214	3	3,257
MedVance Institute	59	142,463	15	32,838
Middle Tennessee School of Anesthesia	185	1,448,387	100	796,369
Miller-Motte Business College (All Branches)	1,108	2,827,652	741	1,841,366
Mr Wayne's School Unisex Hair Design	7	18,375	6	15,750
Nashville Auto Diesel College	4	12,250	1	525
Nashville College of Medical Career	234	590,044	121	299,099
New Concepts School of Cosmetology	0	0	21	49,102
New Directions Hair Academy (All Branches)	169	377,024	21	28,738
New Wave Hair Academy (All Branches)	275	676,463	7	10,506
North Central Institute	34	82,494	29	71,925
Nossi College of Art	423	1,191,644	0	0
O'More College of Design	113	412,304	92	353,289
Plaza Beauty School	126	276,668	66	155,739
SAE Institute of Technology	149	390,900	83	216,824
South College	1,147	3,303,078	717	2,141,668
Southeastern Career College	322	881,270	39	107,177
Tennessee Academy of Cosmetology (All Branches)	202	360,760	135	238,511
Tennessee Career College	106	331,279	11	32,626
Volunteer Beauty Academy (All Branches)	<u>200</u>	<u>483,350</u>	<u>104</u>	<u>255,840</u>
TOTAL	9,235	\$24,885,687	4,601	\$12,515,068
AVERAGE LOAN		\$2,695		\$2,720

BOARD OF REGENTS

Austin Peay State University	6,422	\$21,301,038	3,864	\$13,897,636
East Tennessee State University	4,652	17,643,423	4,723	18,865,416
Middle Tennessee State University	8,456	27,355,027	5,680	20,124,737
Tennessee State University	9	38,410	9	47,013
Tennessee Technological University	<u>1</u>	<u>2,625</u>	<u>0</u>	<u>0</u>
TOTAL	19,540	\$66,340,523	14,276	\$52,934,802
AVERAGE LOAN		\$3,395		\$3,708

UNIVERSITY OF TENNESSEE SYSTEM

University of Tennessee, Chattanooga	3,118	\$11,670,428	2,912	\$11,503,183
University of Tennessee, Knoxville	7,224	30,649,020	8,032	37,707,689
University of Tennessee, Martin	3,135	10,345,801	2,697	9,664,590
University of Tennessee, Health Sciences	<u>277</u>	<u>2,200,314</u>	<u>369</u>	<u>3,015,892</u>
TOTAL	13,754	\$54,865,563	14,010	\$61,891,354
AVERAGE LOAN		\$3,989		\$4,418

STATE TECH/COMMUNITY COLLEGES

Chattanooga State Technical Community College	3,004	\$7,766,565	2,809	\$7,495,326
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FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Subsidized*)

	2005-06		2006-07	
	Actual		As of 1/31/07	
	Loans*	\$	Loans*	\$
Cleveland State Community College	574	1,318,680	384	899,597
Columbia State Community College	1,079	2,604,712	828	2,062,362
Dyersburg State Community College	667	1,510,840	522	1,249,896
Nashville State Technical Community College	2,187	5,180,765	1,671	4,036,526
Northeast State Technical Community College	1,087	2,435,030	916	2,321,889
Pellissippi State Technical Community College	1,694	3,180,587	1,347	2,724,145
Roane State Community College	977	2,526,814	1,006	2,700,952
Volunteer State Community College	1,594	3,315,140	1,401	3,235,131
Walters State Community College	<u>795</u>	<u>1,855,268</u>	<u>644</u>	<u>1,515,933</u>
TOTAL	13,658	\$31,694,401	11,528	\$28,241,757
AVERAGE LOAN		\$2,321		\$2,450

SCHOOL OF NURSING

Methodist Hospital School of Nursing	<u>8</u>	<u>\$11,378</u>	<u>0</u>	<u>\$0</u>
TOTAL	8	\$11,378	0	\$0
AVERAGE LOAN		\$1,422		\$0

TENNESSEE TECHNOLOGY CENTERS

Tennessee Technology Center at Nashville	<u>146</u>	<u>\$302,160</u>	<u>74</u>	<u>\$166,412</u>
TOTAL	146	\$302,160	74	\$166,412
AVERAGE LOAN		\$2,070		\$2,249

GRAND TOTAL

84,314	\$285,315,091	62,136	\$224,321,605
AVERAGE LOAN	\$3,384		\$3,610

* Note that the number of loans is reported on a semester or term basis. For example, two loans would be reported for an individual who borrowed in both the fall and spring semesters.

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Unsubsidized*)

	2005-06		2006-07	
	Actual		As of 1/31/07	
	Loans*	\$	Loans*	\$
<u>INDEPENDENT/FOUR-YEAR</u>				
Aquinas College (All Branches)	723	\$2,621,409	191	\$715,357
Baptist Memorial College of Health	637	2,532,381	367	1,380,171
Belmont University	1,900	11,506,384	287	1,554,770
Bethel College	1,776	6,125,002	974	3,312,880
Bryan College	266	886,842	248	859,470
Carson-Newman College	941	3,057,821	649	2,494,965
Christian Brothers University	1,028	4,722,867	892	4,534,449
Church of God Theological Seminary	34	174,615	10	73,940
Cumberland University	970	3,149,446	626	2,308,561
Emmanuel School of Religion	3	11,500	4	33,500
Free Will Baptist Bible College	128	492,677	103	415,333
Freed-Hardeman University	9	53,438	4	19,750
Johnson Bible College	248	800,238	213	776,908
King College	402	1,858,201	242	1,083,502
Lambuth University	269	815,555	260	891,956
Lee University	2,048	7,081,126	1,057	4,561,228
Lincoln Memorial University	2,190	11,289,209	1,275	6,455,461
Lipscomb University	930	3,598,874	782	3,155,864
Martin Methodist College	451	1,468,938	347	1,195,286
Maryville College	323	1,165,796	393	1,469,525
Meharry Medical College	445	10,174,149	276	6,282,993
Memphis College of Art	42	158,985	61	241,234
Memphis Theological Seminary	7	55,882	12	85,529
Milligan College	533	2,521,991	274	1,286,863
Rhodes College	50	215,626	60	250,045
Southern College of Optometry	4	8,910	0	0
Temple Baptist Seminary	6	44,120	12	49,185
Tennessee Temple University	8	30,722	130	475,059
Tennessee Wesleyan College	355	1,189,811	376	1,436,071
Trevecca Nazarene University	1,573	7,803,045	701	3,074,536
Tusculum College	2,075	8,351,080	1,291	5,014,155
Union University	1,475	7,275,859	1,131	6,518,677
University of the South	228	770,400	153	538,926
Vanderbilt University (All Branches)	1,754	9,485,725	966	5,173,128
Watkins College of Art and Design	154	594,648	86	368,378
TOTAL	23,985	\$112,093,272	14,453	\$68,087,655
AVERAGE LOAN		\$4,673		\$4,711
<u>INDEPENDENT/TWO-YEAR</u>				
Hiwassee College	116	\$341,388	99	\$402,237
John A Gupton College	65	207,115	50	169,243
TOTAL	181	\$548,503	149	\$571,480
AVERAGE LOAN		\$3,030		\$3,835

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Unsubsidized*)

	2005-06		2006-07	
	Actual		As of 1/31/07	
	Loans*	\$	Loans*	\$
<u>PRIVATE/BUSINESS & TRADE</u>				
Arnolds Beauty School	28	\$81,066	12	\$34,183
Concorde Career Institute	3	4,131	3	7,381
Draughon's Junior College (All Branches)	4,027	6,498,190	2,380	5,753,052
Electronic Computer Programming College	98	147,810	48	82,004
Fountainhead College of Technology	129	487,928	42	155,005
ITT Technical Institute (All Branches)	5	19,500	4	11,372
Institute of Hair Design	0	0	1	4,000
Jon Nave University of Cosmetology	2	1,411	45	161,325
McCollum & Ross - The Hair School	74	268,235	1	712
MedVance Institute	43	129,534	11	22,312
Middle Tennessee School of Anesthesia	193	2,073,209	107	1,179,356
Miller-Motte Business College (All Branches)	1,111	3,725,343	737	2,506,999
Mr Wayne's School Unisex Hair Design	1	2,625	1	2,625
Nashville Auto Diesel College	2	8,000	1	2,000
Nashville College of Medical Career	255	728,515	134	400,816
New Concepts School of Cosmetology	0	0	22	55,298
New Directions Hair Academy (All Branches)	161	436,704	19	27,857
New Wave Hair Academy (All Branches)	266	968,091	6	9,003
North Central Institute	30	105,200	24	78,906
Nossi College of Art	380	1,482,762	0	0
O'More College of Design	84	362,979	47	205,300
Plaza Beauty School	84	193,549	53	123,585
Remington College	0	0	1	4,000
SAE Institute of Technology	115	454,250	57	226,176
South College	1,124	4,375,761	676	2,715,930
Southeastern Career College	324	1,234,238	30	78,194
Tennessee Academy of Cosmetology (All Branches)	208	279,706	147	229,946
Tennessee Career College	119	430,804	10	34,031
Volunteer Beauty Academy (All Branches)	167	621,354	80	292,680
TOTAL	9,033	\$25,120,895	4,699	\$14,404,048
AVERAGE LOAN		\$2,781		\$3,065
<u>BOARD OF REGENTS</u>				
Austin Peay State University	4,863	\$18,363,875	2,950	\$12,524,087
East Tennessee State University	3,369	12,752,289	3,426	14,559,804
Middle Tennessee State University	6,980	23,286,998	5,032	18,819,221
Tennessee State University	9	44,074	8	20,553
Tennessee Technological University	1	4,000	0	0
TOTAL	15,222	\$54,451,236	11,416	\$45,923,665
AVERAGE LOAN		\$3,577		\$4,023

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Unsubsidized*)

	2005-06		2006-07	
	Actual		As of 1/31/07	
	Loans*	\$	Loans*	\$
<u>UNIVERSITY OF TENNESSEE SYSTEM</u>				
University of Tennessee, Chattanooga	2,737	\$10,089,504	2,631	\$11,463,630
University of Tennessee, Knoxville	6,359	31,529,658	6,668	37,414,526
University of Tennessee, Martin	2,526	8,710,049	2,076	7,842,208
University of Tennessee, Health Sciences	<u>520</u>	<u>4,775,647</u>	<u>367</u>	<u>6,562,627</u>
TOTAL	12,142	\$55,104,858	11,742	\$63,282,991
AVERAGE LOAN		\$4,538		\$5,389
<u>STATE TECH/COMMUNITY COLLEGES</u>				
Chattanooga State Technical Community College	1,031	\$2,405,412	1,008	\$2,487,625
Cleveland State Community College	427	931,890	281	667,423
Columbia State Community College	821	2,185,188	673	1,857,681
Dyersburg State Community College	207	440,841	158	339,907
Nashville State Technical Community College	1,650	5,238,767	1,216	4,005,570
Northeast State Technical Community College	625	1,100,122	394	787,911
Pellissippi State Technical Community College	826	1,478,463	732	1,493,407
Roane State Community College	729	2,105,472	763	2,501,533
Volunteer State Community College	559	1,077,485	448	995,507
Walters State Community College	<u>521</u>	<u>1,139,054</u>	<u>330</u>	<u>726,216</u>
TOTAL	7,396	\$18,102,694	6,003	\$15,862,780
AVERAGE LOAN		\$2,448		\$2,642
<u>SCHOOL OF NURSING</u>				
Methodist Hospital School of Nursing	<u>8</u>	<u>\$13,330</u>	<u>0</u>	<u>\$0</u>
TOTAL	8	\$13,330	0	\$0
AVERAGE LOAN		\$1,666		\$0
<u>TENNESSEE TECHNOLOGY CENTERS</u>				
Tennessee Technology Center at Nashville	<u>131</u>	<u>\$403,073</u>	<u>65</u>	<u>\$207,188</u>
TOTAL	131	\$403,073	65	\$207,188
AVERAGE LOAN		\$3,077		\$3,188
<u>GRAND TOTAL</u>				
	68,098	\$265,837,861	48,527	\$208,339,807
AVERAGE LOAN		\$3,904		\$4,293

* Note that the number of loans is reported on a semester or term basis. For example, two loans would be reported for an individual who borrowed in both the fall and spring semesters.

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal PLUS Loan Program

	2005-06		2006-07	
	Actual		As of 1/31/07	
	Loans*	\$	Loans*	\$
<u>INDEPENDENT/FOUR-YEAR</u>				
Aquinas College (All Branches)	67	\$381,450	17	\$113,600
Baptist Memorial College of Health	82	419,256	43	252,050
Belmont University	881	12,835,628	313	4,033,038
Bethel College	48	259,175	46	263,013
Bryan College	153	1,227,106	103	787,110
Carson-Newman College	251	1,790,130	187	1,484,603
Christian Brothers University	109	724,729	96	658,688
Cumberland University	124	810,923	128	955,529
Free Will Baptist Bible College	75	628,649	68	569,120
Freed-Hardeman University	4	60,770	2	24,225
Johnson Bible College	70	322,224	91	502,233
King College	110	811,978	103	832,828
Lambuth University	69	514,214	45	351,438
Lee University	438	3,538,890	246	2,064,139
Lincoln Memorial University	160	684,865	144	619,352
Lipscomb University	442	3,666,552	402	4,054,433
Martin Methodist College	72	382,331	52	288,587
Maryville College	149	1,067,962	171	1,406,139
Meharry Medical College	0	0	307	3,028,552
Memphis College of Art	20	279,102	22	336,570
Milligan College	156	1,294,409	126	975,164
Rhodes College	27	291,028	13	153,397
Temple Baptist Seminary	1	4,901	0	0
Tennessee Temple University	3	26,200	17	97,820
Tennessee Wesleyan College	115	719,492	125	960,796
Trevecca Nazarene University	245	1,985,105	152	1,366,221
Tusculum College	144	1,002,186	87	608,017
Union University	251	2,379,076	232	2,962,236
University of the South	151	2,522,054	129	2,016,581
Vanderbilt University (All Branches)	458	8,571,592	310	5,993,985
Watkins College of Art and Design	31	285,321	18	240,375
TOTAL	4,906	\$49,487,298	3,795	\$37,999,839
AVERAGE LOAN		\$10,087		\$10,013

INDEPENDENT/TWO-YEAR

Hiwassee College	15	\$61,126	13	\$85,247
John A Gupton College	13	49,440	7	40,000
TOTAL	28	\$110,566	20	\$125,247
AVERAGE LOAN		\$3,949		\$6,262

PRIVATE/BUSINESS & TRADE

Arnolds Beauty School	4	\$15,593	5	\$21,030
Concorde Career Institute	2	6,327	0	0
Draughon's Junior College (All Branches)	158	556,659	97	442,173
Electronic Computer Programming College	14	32,729	6	11,366
Fountainhead College of Technology	48	425,805	13	131,720
ITT Technical Institute (All Branches)	3	33,119	2	22,687

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal PLUS Loan Program

	2005-06 Actual		2006-07 As of 1/31/07	
	Loans*	\$	Loans*	\$
Jon Nave University of Cosmetology	0	0	15	164,670
McCollum & Ross - The Hair School	8	25,934	0	0
MedVance Institute	4	8,853	0	0
Middle Tennessee School of Anesthesia	0	0	77	889,035
Miller-Motte Business College (All Branches)	57	409,461	31	202,015
Nashville Auto Diesel College	4	31,468	0	0
Nashville College of Medical Career	9	21,263	0	0
New Concepts School of Cosmetology	0	0	1	4,000
New Directions Hair Academy (All Branches)	35	210,594	4	35,202
New Wave Hair Academy (All Branches)	4	27,357	0	0
North Central Institute	1	13,000	4	38,700
Nossi College of Art	44	276,020	8	51,450
O'More College of Design	39	352,622	25	187,735
Plaza Beauty School	9	57,495	6	32,430
SAE Institute of Technology	60	1,023,854	43	810,936
South College	69	558,972	62	537,321
Southeastern Career College	7	54,284	0	8,695
Tennessee Academy of Cosmetology (All Branches)	11	21,424	7	12,632
Tennessee Career College	9	76,519	0	0
Volunteer Beauty Academy (All Branches)	<u>17</u>	<u>128,377</u>	<u>15</u>	<u>88,339</u>
TOTAL	616	\$4,367,729	421	\$3,692,136
AVERAGE LOAN		\$7,090		\$8,770

BOARD OF REGENTS

Austin Peay State University	412	\$2,416,406	331	\$3,430,810
East Tennessee State University	549	3,395,849	494	3,434,290
Middle Tennessee State University	1,100	6,699,951	1,068	7,107,274
Tennessee State University	11	84,250	8	59,982
Tennessee Technological University	<u>240</u>	<u>1,399,129</u>	<u>87</u>	<u>551,096</u>
TOTAL	2,312	\$13,995,585	1,988	\$14,583,452
AVERAGE LOAN		\$6,053		\$7,336

UNIVERSITY OF TENNESSEE SYSTEM

University of Tennessee, Chattanooga	315	\$1,789,808	302	\$1,919,398
University of Tennessee, Knoxville	1,070	8,960,831	1,230	11,058,901
University of Tennessee, Martin	311	1,094,692	292	1,483,438
University of Tennessee, Health Sciences	<u>11</u>	<u>90,000</u>	<u>109</u>	<u>916,007</u>
TOTAL	1,707	\$11,935,331	1,933	\$15,377,744
AVERAGE LOAN		\$6,992		\$7,955

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal PLUS Loan Program

		2005-06 Actual		2006-07 As of 1/31/07	
		Loans*	\$	Loans*	\$
<u>STATE TECH/COMMUNITY COLLEGES</u>					
Chattanooga State Technical Community College	21	\$74,412		26	\$114,427
Cleveland State Community College	12	34,728		12	31,738
Columbia State Community College	17	88,700		11	50,900
Dyersburg State Community College	4	12,600		7	26,380
Nashville State Technical Community College	6	26,500		2	5,500
Northeast State Technical Community College	18	83,637		6	26,500
Pellissippi State Technical Community College	66	279,915		57	250,313
Volunteer State Community College	<u>17</u>	<u>71,808</u>		<u>9</u>	<u>39,963</u>
TOTAL	161	\$672,300		130	\$545,721
AVERAGE LOAN		\$4,176			\$4,198
<u>TENNESSEE TECHNOLOGY CENTERS</u>					
Tennessee Technology Center at Nashville	<u>1</u>	<u>\$7,500</u>		<u>1</u>	<u>\$7,500</u>
TOTAL	1	\$7,500		1	\$7,500
AVERAGE LOAN		\$7,500			\$7,500
<u>GRAND TOTAL</u>		9,731	\$80,576,309	8,288	\$72,331,639
AVERAGE LOAN			\$8,280		\$8,727

* Note that the number of loans is reported on a semester or term basis. For example, two loans would be reported for an individual who borrowed in both the fall and spring semesters.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM E: Status of Federal Reserve Recall

Staff Recommendation For discussion only.

Background Repayment of Federal Family Education Loan Program (FFELP) funds was mandated by the Higher Education Act of 1965, as amended. Section 422(h) required guaranty agencies to return \$1 billion from the federal reserve funds held. Tennessee's share was \$23,597,217 and was returned in full during September 2002, as requested.

Section 422(i) required an additional \$250 million to be returned by the guaranty agencies in 3 installments beginning at the end of the 2002 federal fiscal year. Tennessee's share was \$3,989,492. The first payment, in the amount of \$1,356,427 (34%), was made during September 2002. The second payment of \$1,316,532.50 was made in September 2006. The final payment, \$1,316,532.50, is to be returned in September 2007.

Each year TSAC is required to submit an annual report to the United States Department of Education which reflects the status of the Federal Student Loan Reserve fund as of September 30th. Unpaid recall amounts are classified as "Other Liabilities", in accordance with federal guidelines, and are not included in the agency's federal reserve ratio calculation.

Supporting Document *Federal Student Loan Reserve Summary, March 22, 2007.*

Tennessee Student Assistance Corporation
Federal Student Loan Reserve Summary
March 22, 2007

As of September 30, 2006

Cash Equivalents and Investments:	\$	14,387,256.00
Less:		
Other Liabilities (Unpaid Recall Amounts)		(1,316,553.00)
Allowances (for future claim payments)		(3,377,838.00) *
<i>* Included in Cash Equivalents</i>		
Reserve Fund Balance	\$	13,070,703.00
Original Principal Outstanding:	\$	4,577,347,240.00

Reserve Ratio(estimated):	0.29
Required Reserve Ratio	0.25
Difference:	0.04

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM F: Tentative TSAC Budget for 2007 - 08

Staff Recommendation For discussion only.

Background The Governor has issued his Fiscal Year 2007 – 2008 budget request to the legislature. He has recommended improvements to the base budget funding within three allotment codes as administered by TSAC.

Under the Governor’s Budget, \$3,800,000 would be provided for additional TSAA awards. An additional \$19,300,000 would be provided for additional lottery scholarships. \$58,900 would be available for TSAC operations, which would likely be used to fund office rent increases.

Supporting Document *TSAC Fiscal Year 2007 – 2008 Budget Recommended Improvements, March 22, 2007.*

TSAC Fiscal Year 2007 – 2008
Budget Recommended Improvements
March 22, 2007

Tennessee Student Assistance Awards (Allotment Code 332.03)

The Tennessee Student Assistance Awards Program provides non-repayable education grants to financially needy undergraduate students who are residents of Tennessee and enrolled at a public or eligible private postsecondary educational institution in Tennessee.

Base Budget Fiscal Year 2007 – 2008

State Appropriations	\$43,308,500
Federal (U.S. Department of Education LEAP/SLEAP)	<u>1,562,400</u>
Sub Total:	\$44,870,900

Recommended Improvement (Governor's Budget)

<i>State Appropriations</i>	<u>3,800,000</u>	
Grand Total:		\$48,670,900

The Governor's recommended improvement of \$3,800,000 represents \$2.1 million funding restoration and \$1.7 million to address inflationary factors associated with the FY 2003 – 2004 \$4.2 million funding reduction. Previously, (FY 2006 – 2007) this program received \$2.1 million in program funding restoration.

Tennessee Student Assistance Corporation (Allotment Code 332.05)

The Tennessee Student Assistance Corporation provides all administrative management and oversight for each of the corporation programs. This allotment provides funds for the staffing and other operating costs of the administering the financial assistance programs.

Base Budget Fiscal Year 2007 – 2008

State Appropriations	\$ 1,451,100
Federal	5,242,400
Other (Lottery/Program Generated)	<u>14,589,900</u>
Sub Total:	\$21,283,400

Recommended Improvement (Governor's Budget)

<i>State Appropriations</i>	<u>58,900</u>	
Grand Total:		\$21,342,300

The Governor's recommended improvement of \$58,900 is earmarked for operational purposes. TSAC will use this additional funding, if approved, to address increased rental and insurance fees.

Lottery for Education Account (Allotment Code 332.19)

The Lottery for Education Account is an appropriation of the state's net education lottery proceeds. The majority of these funds are made available for post-secondary scholarships, which include the Tennessee HOPE Scholarship, the General Assembly Merit Scholarship, the Need-Based Supplemental Award, the Tennessee HOPE Access Grant, and the Wilder-Naifeh Technical Skills Grant. In the event that education lottery proceeds available to the account exceed scholarship needs, excess proceeds may be appropriated for pre-kindergarten and early childhood education programs, not to exceed \$25 million. Funding for the pre-K and early childhood education programs is appropriated here and is reflected in the Department of Education budget, funded by interdepartmental (other) revenue from the Lottery for Education Account state appropriation. Administrative costs associated with the scholarship program within the Tennessee Higher Education Commission and Tennessee Student Assistance Corporation also are funded from the Appropriation to the Lottery for Education Account.

Base Budget Fiscal Year 2007 – 2008

State Appropriations	<u>\$240,300,000</u>	
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Sub Total:	\$240,300,000	
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Recommended Improvement (Governor's Budget)

<i>State Appropriations</i>	<u>19,300,000</u>	
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Grand Total:		\$259,600,000
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The Governor's recommended improvement of \$19,300,000 is earmarked for Community College Tuition Waivers (\$10,000,000) and enhancement of the Lottery HOPE Scholarship program (\$9,300,000). No additional TSAC administrative funding is included at this time.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM G: Status of Expansion Request

Staff Recommendation For discussion only.

Background Budget approval was previously received through the Tennessee Department of Finance and Administration for five additional staff. The positions have been established by the Tennessee Department of Personnel and it is anticipated these will be filled prior to the end of Fiscal Year 2006 – 2007. A brief description of each follows:

An Administrative Wage Garnishment (AWG) Administrator will spend the majority of time gathering employment information and working with employers/borrowers for collections on defaulted loans.

A Financial Analyst will allow TSAC to use metrics across the entire loan industry to improve funds management, vendor reporting and program effectiveness.

A Legal Assistant will assist in working with the greatly expanding legal issues and activities of TSAC.

A Student Information Analyst will work with computer programming and analysis of TSAC data to better address policy questions as required by the Tennessee Legislature and the TSAC Board of Directors.

An Outreach Specialist position will supplement existing staff, work with increasing college access, financial aid awareness initiatives, and other activities as mandated by new state legislation.

Supporting Document None.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM H: 2007 General Assembly Legislative Report

Staff Recommendation For discussion only.

Background Legislation has been introduced to the Tennessee General Assembly which, if adopted by the legislature and signed by the Governor, would impact the higher education community in Tennessee in general and/or the Tennessee Student Assistance Corporation in particular. A brief summary of significant bills now pending with the General Assembly is included in the document attached, entitled *Summary of TSAC-related Higher Education Legislation Pending with the 105th Tennessee General Assembly (2007)*, February 26, 2007.

Supporting Documents *Summary of TSAC-related Higher Education Legislation Pending with the 105th Tennessee General Assembly (2007)*, February 26, 2007.

Summary of TSAC-related Higher Education Legislation Pending with the
105th Tennessee General Assembly (2007)

February 26, 2007

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1510
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
1-800-342-1663
615-741-1346

www.CollegePaysTN.com

Summary of TSAC-related Higher Education Legislation Pending with the
105th Tennessee General Assembly (2007)

Senate Bills

- *SB0025/
HB0020 Changes income eligibility requirement for receipt of need-based ASPIRE award, HOPE access grant, and HOPE scholarship for nontraditional students from incomes not exceeding \$36,000 to incomes not exceeding \$45,000.
- *SB0050/
HB0478 Provides supplemental awards from net lottery proceeds for HOPE scholarship recipients who prepare to teach or major in mathematics, science, engineering, foreign languages, or other fields in which there are critical shortages of teachers or qualified professionals.
- *SB0073/
HB0339 Redefines Tennessee HOPE foster care tuition grant awards so that award amount is reduced only by amounts received by an eligible student from scholarships and grants, and not by financial aid from loans and work-study programs.
- *SB0113/
HB1332 Renames scholarships “Tennessee Cohen HOPE scholarship.”
- *SB0223/
HB0450 Creates loan-scholarship program to provide postsecondary financial assistance to students planning to become K-12 math or science teachers.
- *SB0231/
HB0370 Revises academic requirements for continuing eligibility for Tennessee HOPE scholarships.
- *SB0336/
HB0448 Permits dependent child of full-time religious worker serving in a foreign country to qualify academically for a Tennessee HOPE scholarship, although the child graduates in the foreign country from a high school that is not regionally accredited; provided, that the child attains a composite ACT score of at least 21.
- *SB0424/
HB1082 Requires THEC to research and analyze data concerning nontraditional students receiving HOPE scholarships and to report its findings to the senate and house education committees.
- *SB0517/
HB1998 Requires postsecondary institutions enrolling Tennessee HOPE scholarship and Tennessee HOPE access grant students to provide academic

advisement programs to assist with scholarship and grant retention; permits students participating in such programs who lose the scholarship to petition for additional time in which to achieve academic eligibility.

- *SB0594/
HB0637

Changes the home of record requirement from time of entry into military service to date of application for financial assistance for purposes of qualifying for a HOPE scholarship by dependents of members of the armed forces or the Tennessee national guard who do not reside in Tennessee immediately preceding date of application for a HOPE scholarship and who did not complete high school in Tennessee.
- *SB0611/
HB0653

Makes changes to eligibility requirements for HOPE scholarships, ASPIRE awards, HOPE access grants and HOPE scholarships for nontraditional students; clarifies amount of award under HOPE foster child tuition grant; sets amount of HOPE scholarship for 2007-2008 at \$4,000 at four-year institutions and \$2,000 at two-year institutions and amount of Wilder-Naifeh technical skills grant for 2007-2008 at \$2,000.
- *SB0821/
HB2060

Changes the home of record requirement from time of entry into military service to date of application for financial assistance for purposes of qualifying for a HOPE scholarship by dependents of members of the armed forces or the Tennessee national guard who do not reside in Tennessee immediately preceding date of application for a HOPE scholarship and who did not complete high school in Tennessee.
- *SB0863/
HB1947

Requires postsecondary institution authorized to operate by THEC under the postsecondary authorization act to advise potential students about the status of its authorization from THEC and the transferability of courses to other postsecondary institutions and to provide THEC and students with job placement data; regulates the use of the terms “university” and “college.”
- *SB0898/
HB0874

Permits teachers of private schools to apply for the HOPE teacher’s scholarship.
- *SB1255/
HB1955

Creates a medical school scholarship-loan program for students studying in Tennessee private medical schools who agree to practice in Tennessee one year for each year of the scholarship.
- *SB1256/
HB1957

Creates a medical school scholarship-loan program for students studying in Tennessee public or private medical schools who agree to practice in Tennessee one year for each year of the scholarship.
- *SB1364/
HB1136

Enacts the “Twenty-First Century Scholarship Initiative Act.”

- *SB1464/
HB2074 Permits students not initially eligible to receive HOPE scholarship under certain conditions.
- *SB1478/
HB1340 Requires THEC to provide detailed information on award and retention rates of Tennessee HOPE scholarships for nontraditional students in order for the general assembly to determine if changes in eligibility requirements should be made.
- *SB1481/
HB1609 Makes the amount of a Tennessee HOPE scholarship awarded to a student attending an eligible two-year postsecondary institution and living in on-campus housing the same as the amount of a Tennessee HOPE scholarship awarded to students attending eligible four-year postsecondary institutions.
- *SB1559/
HB2221 Permits dependent child of full-time religious worker serving in a foreign country to qualify academically for a Tennessee HOPE scholarship, although the child graduates in the foreign country from a high school that is not regionally accredited; provided, that the child attains a composite ACT score of at least 21.
- *SB1759/
HB1979 Creates a lottery loan-scholarship program for students seeking to receive degrees, certificates, diplomas, or other credentials necessary for licensure in a profession in which there is a critical shortage in Tennessee or a particular area of Tennessee.

House Bills

- *HB0009/
SB0277 Creates K-12 lottery capital outlay special account; establishes grant program for capital outlay projects for K-12 educational facilities administered by comptroller of the treasury.

- *HB0044/
SB0479 Creates lottery funded capital outlay fund; establishes grant program for capital outlay projects for K-12 educational facilities administered by comptroller of the treasury.

- *HB0152/
SB1683 Expands eligibility for Tennessee HOPE scholarships for nontraditional students.

- *HB 0153/
SB1706 Changes eligibility for HOPE scholarship from requiring that students eligible as home-schooled students be home schooled during the last two years of high school to requiring only that such students be home schooled the last year of high school.

- *HB0154/
SB0356 Permits student who attends an eligible high school and completes all but one high school course at the eligible high school to complete the one remaining course as a homeschooled student and retain eligibility for a HOPE scholarship and General Assembly Merit Scholarship as if such student graduated from the eligible high school.

- *HB0161/
SB0617 Changes limitation on receipt of Tennessee HOPE scholarship from 120 semester hours attempted to 120 semester hours attempted that are funded by a Tennessee HOPE scholarship.

- *HB0162/
SB0618 Changes limitation on receipt of Tennessee HOPE scholarship from 120 attempted semester hours to five years of full-time equivalent attendance.

- *HB0199/
SB1361 Creates the “Tennessee HOPE Advanced Degree Scholarship.”

- *HB0236/
SB0615 Permits students who have been in college less than four years, but whose HOPE scholarship has been terminated because they have attempted 120 semester hours, to retain the scholarship until they have completed four years of college.

- *HB0253/
SB0452 Establishes Tennessee combat veteran’s scholarship funded from net proceeds of the state lottery.

- *HB0305/
SB1725 Expands eligibility for HOPE teacher’s scholarship from graduate study or certification in math or science to graduate study in any field of certification, education administration, or supervision.

- *HB0336/
SB0599 Changes limitation on receipt of Tennessee HOPE scholarship from 120 semester hours attempted to 120 semester hours attempted that are funded by a Tennessee HOPE scholarship.
- *HB0338/
SB0598 Changes limitation on receipt of Tennessee HOPE scholarship from 120 attempted semester hours to five years of full-time equivalent attendance.
- *HB0340/ Sets for 2007-2008 academic year amount of HOPE scholarship at \$4,000 at four-year institutions and \$2,000 at two-year institutions, ASPIRE award at \$1,500, and Wilder-Naifeh technical skills grant at \$2,000.
- *HB0341/ Changes the income eligibility requirements for ASPIRE awards, HOPE access grants, and HOPE scholarships for nontraditional students from an adjusted gross income not exceeding \$36,000 to an expected family contribution not exceeding the maximum expected family contribution for Pell grant eligibility.
- *HB0342/ Makes changes to eligibility requirements for HOPE scholarships, ASPIRE awards, and HOPE access grants; clarifies amount of award under HOPE foster child tuition grant; sets amount of HOPE scholarship for 2007-2008 at \$4,000 at four-year institutions and \$2,000 at two-year institutions and amount of Wilder-Naifeh technical skills grant for 2007-2008 at \$2,000.
- *HB0350/
SB1454 Eliminates high school academic requirements for initial receipt of Tennessee HOPE scholarship.
- *HB0426/
SB0927 Requires TSAC to provide training for high school counselors in performing functions necessary to TSAC's duties in administering lottery scholarships and grants; requires TSAC to establish grant program to fund employment of additional school counselors to assist in administering lottery scholarships and grants.
- *HB0446/
SB0628 Broadens THEC's duties in researching and analyzing data concerning scholarship and grant programs to include student diversity.
- *HB0447/
SB0626 Alters the composition of committee on post secondary educational institutions.
- *HB0724/
SB1237 Revises requirements for HOPE and Merit scholarships and deletes Access grants.
- *HB0871/
SB1063 Enables students who are 25 years of age or older to receive a Wilder-Naifeh technical skills grant for study leading to a certificate at a board of regents' community college or technical community college; provided, that

such students meet all general requirements for the grant; permits such students subsequently to receive a Tennessee HOPE scholarship; provided, that such students meet all applicable requirements for the scholarship as nontraditional students.

- *HB0929/
SB1303

Allows students earning the Boy Scouts' Eagle Scout award or the Girl Scouts' Gold Award to be eligible for the General Assembly Merit Scholar supplemental award in lieu of meeting the academic requirements.
- *HB1008/
SB1452

Enacts the "Tennessee STAR Scholarship Act of 2007."
- *HB1010/
SB1085

Provides a book allowance of \$200 per semester for a Tennessee HOPE scholarship or Tennessee HOPE access grant student who is enrolled full time.
- *HB1013/
SB1213

Revises eligibility requirements for Tennessee HOPE scholarships for nontraditional students; requires THEC to report data concerning the award of such scholarships; and requires postsecondary institutions and TSAC to make additional efforts to inform nontraditional students of the availability of postsecondary financial assistance from lottery proceeds.
- *HB1014/
SB1086

Revises pilot after school programs funded by lottery proceeds that are geared to increasing performance of at-risk students on the ACT and SAT exams; requires additional reporting concerning such programs by the department of education and THEC.
- *HB1015/
SB1214

Changes the semesters at which student eligibility for HOPE scholarships and HOPE access grants are checked from the end of the semester in which a student has attempted 24, 48, 72, or 96 semester hours, and 120 semester hours if the student is in a program requiring more than 120 semester hours, to the end of the semester in which a student has attempted 30, 60, or 90 semester hours, and 120 semester hours if the student is in a program requiring more than 120 semester hours; enables a nontraditional student to qualify for a HOPE scholarship after 12 semester hours.
- *HB1059/
SB1724

Requires students to successfully complete the college core curriculum in high school to be eligible for a Tennessee HOPE scholarship or access grant to attend an eligible four-year post-secondary institution.
- *HB1068/
SB1234

Authorizes students over 25 years of age with less than 24 semester hours of college to receive a HOPE scholarship if they met the grade point averages.
- *HB1440/
SB1987

Permits dependent child of full-time religious worker serving in a foreign country to qualify academically for a Tennessee HOPE scholarship,

although the child graduates in a the foreign country from a high school that is not regionally accredited; provided, that the child attains a composite ACT score of at least 21.

- *HB1945/
SB2050 Creates the “Tennessee student assistance program account” in the state treasury for the deposit of funds appropriated for Tennessee student assistance awards; provides that earnings on the account are credited to the account and that moneys in the account do not revert to the state general fund at the end of any fiscal year.
- *HB1996/
SB2043 Requires TSAC to publish eligibility requirements for the minority teaching fellows program.
- *HB2123/
SB2273 Adds University of Tennessee System and Board of Regents as recipients of THEC’s annual report on scholarship and grant programs data.
- *HB2130/
SB2271 Requires students applying for Tennessee HOPE scholarships for nontraditional students, for which eligibility is restricted by student income, to file a FAFSA.
- *HB2283/
SB2262 Authorizes TSAC to conduct more than one lottery scholarship day per school year; adds “eligibility requirements for the Tennessee student assistance program” in the information to be presented at the lottery scholarship day.

Classified Listing of 2007 Bills

TELS Bills

120 credit hour limitation

- *HB0161/SB0617
- *HB0162/SB0618
- *HB0236/SB0615
- *HB0336/SB0599
- *HB0338/SB0598

Academic requirements – relax

- *HB0350/SB1454
- *HB0724/SB1237
- *SB1464/HB2074

Academic requirements – strengthen

- *HB1059/SB1724

ASPIRE eligibility

- *SB0025/HB0020

Award retention

- *SB0231/HB0370

Changes in award amount

- *HB0340
- *HB1010/SB1085
- *SB1481/HB1609

Foreign schools/dependent children of religious workers

- *SB0336/HB0448
- *SB1559/HB2221
- *HB1440/SB1987

Foster child tuition grant

- *SB0073/HB0339

Home schooling

- *HB0153/SB1706
- *HB0154/SB0356

Lottery scholarship day

- *HB2283/SB2262

Miscellaneous TELS bills

- *HB0341
- *HB0426/SB0927
- *HB0929/SB1303
- *HB1013/SB1213
- *HB1015/SB1214
- *SB0113/HB1332
- *SB0517/HB1998
- *SB0594/HB0637
- *SB0821/HB2060
- *SB0898/HB0874

New programs/extension of existing programs

- *HB0199/SB1361
- *HB0253/SB0452
- *HB0305/SB1725
- *HB0871/SB1063
- *SB0050/HB0478
- *SB1759/HB1979

Omnibus TELS bills

- *HB0342
- *SB0611/HB0653

Use of Lottery Reserve

- *HB0009/SB0277
- *HB0044/SB0479

Non-TELS Bills

THEC research and reporting

- *HB0446/SB0628
- *SB0424/HB1082
- *SB1478/HB1340

Other

- *HB0447/SB0626
- *HB1008/SB1452
- *HB1014/SB1086
- *HB1945/SB2050
- *HB1996/SB2043
- *HB2123/SB2273
- *SB0223/HB0450
- *SB0863/HB1947
- *SB1255/HB1955
- *SB1256/HB1957
- *SB1364/HB1136

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM I: College Goal Sunday Report

Staff Recommendation For discussion only.

Background Tennessee's second annual College Goal Sunday (CGS) event was held on February 18, 2007 at thirty-three sites across the state. Due to inclement weather, three of the original thirty-five scheduled sites were forced to re-schedule or cancel. We had one additional site added in the Memphis area and their participants are included in our attendance results. The response from everyone was tremendous, with approximately 400 volunteers participating at the CGS sites and 1,458 students and family members in attendance.

This program was last reviewed with the Board at its September 28, 2006 meeting.

Supporting Document *2007 College Goal Sunday Report*, February 28, 2007.

2007 College Goal Sunday Report
February 28, 2007

College Goal Sunday Sites	Students	Family Members	Total
Athens			
TTC @ Athens	20	32	52
Blountville			
Northeast State Comm College	44	47	91
Bristol			
National College of Bus & Tech	CANCELLED:	Snow	0
Chattanooga			
Chattanooga St Tech Com College	31	27	58
Chattanooga Urban League	4	4	8
Clarksville			
Austin Peay State University	50	66	116
Cleveland			
Cleveland State Comm College	18	39	57
Coalmont			
Grundy County High School	CANCELLED:	Snow	0
Columbia			
Columbia State Comm College	19	33	52
Covington			
TTC @ Covington	13	20	33
Crump			
TTC @ Crump	37	64	101
Dayton			
Bryan College	5	8	13
Dyersburg			
Dyersburg State Comm College	18	30	48
Gallatin			
Volunteer State Comm College	37	56	93
Greeneville			
Tusculum College	15	15	30
Harrogate			
Lincoln Memorial University	CANCELLED:	Snow	0

2007 College Goal Sunday Report
February 28, 2007

College Goal Sunday Sites	Students	Family Members	Total
Hohenwald			
TTC @ Hohenwald	3	3	6
Jackson			
Lambuth University	5	9	14
TTC @ Jackson	2	2	4
Knoxville			
ITT Technical Institute	5	4	9
Pellessippi State Tech Comm College	28	48	76
Lebanon			
Cumberland University	18	17	35
McKenzie			
TTC @ McKenzie	14	15	29
Memphis			
SW Tn Comm College- Macon Grove Campus	18	37	55
Christian Brothers University	12	23	35
LeMoyne- Owen			11
TTC @ Memphis	7	5	12
Morristown			
Walter State Community College	34	34	68
Murfreesboro			
MTSU	22	39	61
Nashville			
Aquinas Prime Time- Elm Hill Campus	3	4	7
Nashville State Tech Comm College	16	33	49
Watkins College of Art & Design	25	50	75
Oak Ridge			
Roane State Comm College - Oak Ridge	31	34	65
Pulaski			
Martin Methodist College	8	12	20
Waverly			
Nashville State Tech Comm College- Waverly	29	36	65
Whiteville			
TTC @ Whiteville	4	6	10
Totals	595	852	1458

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM J: Communication Services Update

Staff Recommendation For discussion only.

Background An update will be provided discussing several improvements
underway within the Communication Services Division.

Supporting Document None.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM K: Status of Federal Reserve Ratio

Staff Recommendation For discussion only.

Background TSAC's federal reserve ratio will drop from .41% (2005) to approximately .29% (2006). There are two primary reasons for this reduction.

\$1.3 million Federal Reserve Recall – TSAC's last payment for this item will be 09/07. This is the last installment of a three year requirement for the Federal Fund to pay for this recall.

\$2.1 million Account Maintenance Fee -- Over the past few years, the United States Department of Education has not fully-funded the account maintenance fee and agencies such as TSAC have been instructed to "pay themselves" from their federal fund. In TSAC's case, approximately \$2.1 million was transferred from the federal fund to the operating fund. Under HERA, the authority for this type of funding was terminated (as of 06/06).

The results of these two items have reduced our Federal Reserve Ratio significantly. All other guarantors have been subject to these same factors. Had these items not all occurred in the same fiscal year, TSAC's ratio for 2006 would have been .36%.

Supporting Document *TSAC Federal Student Loan Program Reserves and Reserve Ratio.* February 27, 2007.

TSAC Federal Student Loan Program Reserves and Reserve Ratio
February 27, 2007

<u>Year</u>	<u>Federal Reserve</u> (A)	<u>Operating Reserve</u> (B)	<u>Total Reserve</u> (C) = (A) + (B)	<u>Outstanding Loans</u> (D)	<u>Federal Reserve Ratio</u> (E) = (A) / (D)
1999	\$42,507,900	\$3,397,200	\$45,905,100	\$2,187,270,889	1.95%
2000	\$34,965,600	\$8,489,200	\$43,454,800	\$2,445,698,664	1.43%
2001	\$24,522,200	\$9,660,600	\$34,182,800	\$2,755,546,086	0.89%
2002	\$27,086,600	\$17,033,100	\$44,119,700	\$3,115,948,098	0.87%
2003	\$26,467,400	\$20,980,400	\$47,447,800	\$4,034,969,500	0.66%
2004	\$20,558,000	\$26,425,000	\$46,983,000	\$5,099,000,000	0.41%
2005	\$18,540,612	\$32,175,922	\$50,716,534	\$4,477,731,714	0.41%
2006	\$13,070,703	\$38,061,485	\$51,132,188	\$4,577,347,240	0.29%
<u>Projected</u>					
2007	\$15,513,773	\$40,573,040	\$56,086,813	\$4,577,347,240	0.34%
2008	\$17,990,342	\$42,611,528	\$60,601,870	\$4,806,214,602	0.37%
2009	\$21,713,279	\$43,714,311	\$65,427,590	\$5,046,525,332	0.43%
2010	\$25,572,052	\$43,673,000	\$69,245,052	\$5,298,851,599	0.48%
2011	\$29,570,465	\$41,296,516	\$70,866,981	\$5,563,794,179	0.53%

Note that the federal reserve ratio in column E must remain above 0.25%.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

DISCUSSION ITEM L: Tennessee Student Assistance Award Program Taskforce Final Recommendations

Staff Recommendation For discussion only.

Background

The Tennessee Student Assistance Award (TSAA) program is Tennessee's primary need-based grant program. Available TSAA resources for 2006-07 total about \$44.4 million. The Tennessee Student Assistance Corporation convened a Taskforce to study the TSAA program for need-based financial aid and recommend improvements to the program. The group was asked to address eligibility requirements, application deadline dates, and the formula used to determine award amounts. The purpose was to determine if, in an environment of limited resources, existing resources could be better-targeted.

At the September 28, 2006 TSAC Board Meeting, the TSAA Taskforce presented a preliminary recommendation to the Board for consideration that included the following features:

- Continue administering TSAA as a centralized program
- Advance the "Priority Application Date" from May 1st to March 1st
- Consolidate the award amounts to a simpler, more easily explainable award structure
- Greater differentiation in award amounts

The Taskforce refined this recommendation in subsequent months, and constructed models to predict how the proposed changes would impact the distribution of the TSAA awards.

Based on the preliminary recommendations and modeling and analysis work of the Taskforce, the proposed new award structure is presented below.

EFC/Sector	0	1-500	501-1000	1001-1500	1501-2100
Private	\$4,800	\$4,000	\$3,200	\$2,400	\$1,600
Public Univ & Career	\$2,400	\$2,000	\$1,600	\$1,200	\$800
Public CC	\$1,500	\$1,250	\$1,000	\$750	\$600
TTC	\$1,200	\$1,000	\$800	\$600	\$600

This award structure includes a simplified table that directs greater award amounts to those students with a zero EFC. Based on TSAC data, approximately 60 percent of current TSAA awardees have an EFC of zero. The award amounts decline much more rapidly than the current award table, eliminating the sudden “cliff effect” when eligibility ends. A minimum award is established at \$600. The maximum award of \$4,800 is roughly equivalent to current average annual tuition and fees at a public university. The other award amounts are indexed to the maximum award based on the table below. When the maximum award is set annually by the TSAC Board, the award table is automatically generated based on these proportions.

EFC/Award	0	1-500	501-1000	1001-1500	1501-2100
Private	100.0%	83.3%	66.7%	50.0%	33.3%
Public Univ & Career	50.0%	41.7%	33.3%	25.0%	16.7%
Public CC	31.3%	26.0%	20.8%	15.6%	12.5%
TTC	25.0%	20.8%	16.7%	12.5%	12.5%

Impact of Revised TSAA Program

Based on Taskforce analysis, the revised award structure will not shift funds between sectors. However, the revised award structure is deliberately designed to shift more financial aid to those students of greatest financial need. Currently 57% of TSAA funds are awarded to students with an EFC of zero. The revised structure is projected to award 72% of funds to students with an EFC of zero. Finally, based on modeling performed by the Taskforce, the proposed program revisions will award comparable numbers of students as the current program.

Sector Distribution	Current	Projected
Private	20.0%	20.9%
Public Univ & Career	51.1%	49.0%
Public CC	23.9%	24.2%
TTC	5.0%	6.0%
Grand Total	100.0%	100.0%

TSAA Breakdown	Students		Cost	
EFC	Proposed	Current	Proposed	Current
0	62.7%	58.0%	72.3%	57.3%
1-500	10.8%	11.9%	11.4%	13.0%
501-1000	8.8%	10.1%	7.2%	10.1%
1001-1500	8.4%	9.6%	5.1%	9.4%
1501-2100	9.2%	10.4%	3.8%	10.2%
Total	100.0%	100.0%	100.0%	100.0%

Supporting Document

None.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 22, 2007

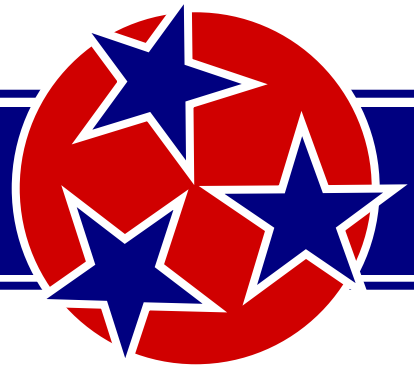
INFORMATION ITEM A: Tennessee Education Lottery Scholarship Program Annual Report

Staff Recommendation For information only.

Background The Tennessee Higher Education Commission has prepared an annual report for the Tennessee Education Lottery Scholarship Program, with outcomes through Fall, 2006.

Details are provided in the attached document entitled *Tennessee Education Lottery Scholarship Program Annual Report*.

Supporting Document *Tennessee Education Lottery Scholarship Program Annual Report*, January 9, 2007.



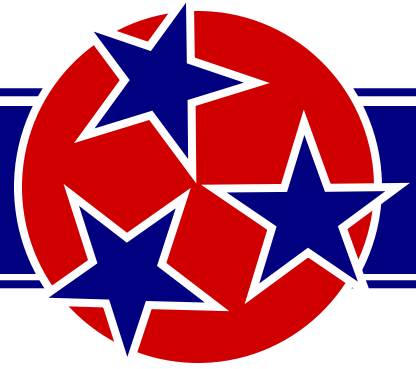
**TENNESSEE EDUCATION LOTTERY
SCHOLARSHIP PROGRAM
ANNUAL REPORT**

Outcomes Through Fall 2006

Prepared by the Tennessee Higher Education Commission

January 9, 2007

COMMISSION OVERVIEW

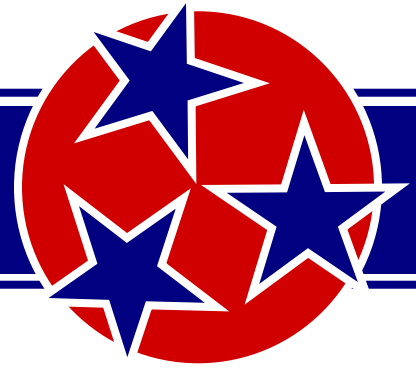


The Tennessee Higher Education Commission (THEC) was created in 1967 by the Tennessee General Assembly (TCA 49-7-202) for the purpose of coordinating and supporting the efforts of postsecondary institutions in the State of Tennessee. One of its statutory requirements is to create a master plan for the development of public higher education in Tennessee.

The mission for Tennessee's twenty-first century system of higher education is to:

- Elevate the overall educational attainment of citizens in the State through increased accessibility to mission-focused institutions, which deliver educational services on campus, as well as through a planned network of off-campus instruction, and
- Prepare citizens responsibly for success in the new century by providing high quality teaching and research in an environment that serves the needs of its consumers.

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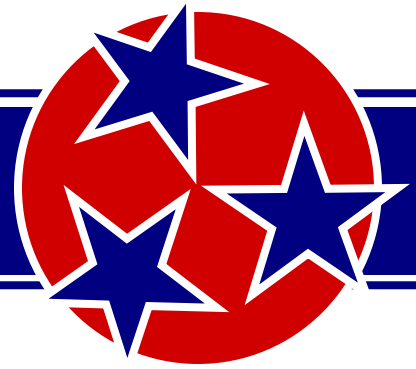
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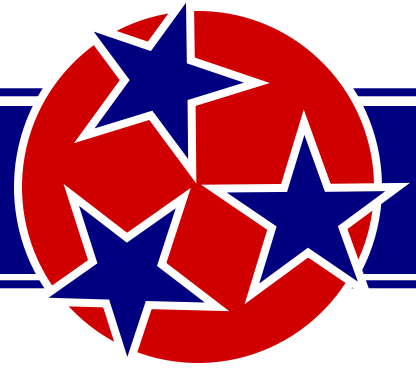
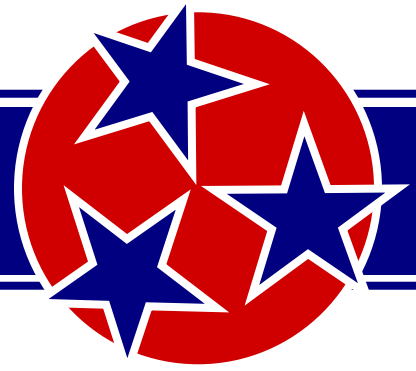


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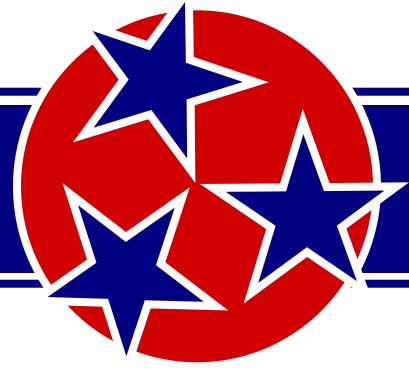
EXECUTIVE SUMMARY



- **The 2005-06 academic year marked the second year of the Tennessee Education Lottery Scholarship (TELS) program.**
 - More than 56,000 students received lottery funded scholarships with total award allocations in excess of \$136,000,000
 - The Dual Enrollment Grant program was added and over 5,400 high school students participated
 - Over 10,000 students utilized the Wilder-Naifeh Technical Skills Grant program
- **Patterns of participation in the TELS program components that require the satisfaction of academic criteria (HOPE, ASPIRE, GAMS, and Access) do not mirror the overall public postsecondary enrollment demographics in Tennessee.**
 - In Fall 2006, African American students represented eight percent of these programs, compared to 19 percent overall within public postsecondary education
 - While female students account for 59 percent of public postsecondary headcount, they made up 61 percent of scholarship recipients in Fall 2006
- **There are racial and gender differences regarding the level of academic preparation for a TELS award.**
 - 59 percent of 2005 TELS first-time freshmen met both ACT and GPA requirements, 26 percent satisfied only the GPA standard, and 15 percent met only the ACT requirement
 - 62 percent of Caucasian awardees met both the GPA and ACT requirements compared to 37 percent of African American participants
 - African American awardees were most likely to meet the GPA requirement only (50 percent), and males were much more likely than females to qualify solely on the basis of ACT (23 to 9 percent)
- **Better academic preparation is associated with higher rates of TELS award retention.**
 - Fall 2005 freshmen who met both the GPA and ACT criteria retained their scholarship at a 66 percent rate
 - Those students within this cohort who qualified solely by GPA retained the award at a 43 percent rate

- Students who qualified by meeting only the ACT standard retained TELS at a 21 percent rate
- **Students from higher income groups retained their TELS award at higher rates.**
 - Students from families earning over \$96,000 retained their TELS award at a 63 percent rate
 - Those students coming from families making less than \$12,000 annually retained at a 42 percent rate
- **It is now possible to determine TELS retention rates for those students returning for their second and third years of college.**
 - For the TELS program as a whole, 48 percent of the entering freshmen from Fall 2004 retained their award in Fall 2005. This figure is consistent with the Fall 2005 entering freshman who retained at an overall rate of 50 percent with ACT standards that were 2 points higher
 - The scholarship retention rate for the Fall 2004 freshmen class was 36 percent by Fall 2006. In other words, 64 percent of this class had lost their award by this point
- **Many students who lose their TELS award remain in school.**
 - In addition to the 48.2 percent of Fall 2004 entering freshmen who kept their scholarship in Fall 2005, 33.4 percent of the cohort remained in school without an award, bringing the overall college retention rate to 81.6 percent
 - Those who returned to college after losing their TELS award tended to come from higher income families. 59 percent of the lowest income students returned, compared to 76 percent of students within the highest income families – a difference of 17 percent
 - These gaps based on income persist even after controlling for academic preparation
- **For those students returning to school after their first year, whether they retained or lost their award impacts where they go to college the following year.**
 - Community colleges gained enrollment share among Fall 2004 TELS freshmen who lost award eligibility but stayed in school anyway; public four-year institutions lost enrollment share, particularly in the UT system
 - The expected net shifts in enrollment among sectors were observed among TELS freshmen who maintained award eligibility, as students who began in community colleges began to migrate into the state's public and independent four-year institutions

PROGRAM OVERVIEW AND RECIPIENT DEMOGRAPHICS



STATUTORY CHARGE

This report is prepared pursuant to T.C.A. §49-4-903(b), which directs the Tennessee Higher Education Commission (THEC) to:

“...provide assistance to the general assembly and to the Tennessee Student Assistance Corporation (TSAC) by researching and analyzing data concerning the scholarship and grant programs created under this part, including, but not limited to, student success and scholarship retention. THEC shall report its findings annually to the education committee of the senate and the education committee of the house of representatives before the second Tuesday in January.”

The report is divided into three major sections:

- Program Overview and Recipient Demographics, which describes the program’s objectives, eligibility requirements, and size, and describes award recipients along several demographic dimensions;
- Scholarship Retention, which describes the rates at which freshman cohorts receiving various types of awards retained those awards one year later, focusing particularly on differences in scholarship retention across levels of family income and academic preparation; and
- College Retention, which longitudinally tracks the Fall 2004 entering freshman class into its second and third year of college for continued enrollment with or without the scholarship.

PROGRAM OVERVIEW

The Tennessee Education Lottery Scholarship (TELS) program was designed to meet the unique needs of the state of Tennessee by incorporating the hallmark elements of existing merit-based aid programs in other states. Developed through a process involving elected officials and members of the academic community, the TELS program aims to address the following broad public policy objectives:

- improve academic achievement in high school through scholarship incentive;
- provide financial assistance as a means of promoting access to higher education;
- retain the state’s “best and brightest” students in Tennessee colleges and universities; and
- enhance and promote economic and community development through workforce training.

The TELS program comprises five distinct scholarship awards, each with its own set of eligibility requirements (**Table 1**). The Wilder-Naifeh Technical Skills Grant was designed to address the final goal in the list above and is available to any state resident enrolled in a certificate or diploma program at a Tennessee Technology Center (TTC). All other lottery scholarships and awards require students to achieve a certain high school grade point average (GPA), standardized test score (ACT or SAT), or both.

While initial eligibility criteria differ by award, the renewal criteria remain consistent across all award types: a 2.75 cumulative GPA or better after 24 credit hours attempted and a 3.0 cumulative GPA or better for each subsequent 24 credit hours attempted. The award is available for up to five years or 120 hours of attempted coursework, whichever comes first.

Table 1
Tennessee Education Lottery Scholarship
Initial Eligibility Criteria, 2006-07

	HOPE (base)	General Assembly Merit Scholarship	ASPIRE (HOPE with need supplement)	Access Award	Wilder-Naifeh Technical Skills Grant
Amount (4-yr.)	\$3,800	\$4,800	\$5,300	\$2,650	N / A
Amount (2-yr.)	\$1,900	\$2,900	\$3,400	\$1,700	\$1,500
Minimum High School GPA	3.00	3.75	3.00	2.75	N / A
Minimum ACT Composite	<u>or</u> 21	<u>and</u> 29	<u>or</u> 21	<u>and</u> 18-20	N / A
Family Adjusted Gross Income	N / A	N / A	\$36,000 or less	\$36,000 or less	N / A

While the programs listed above account for the majority of students and funding in the lottery scholarship program, several other legislative initiatives passed since 2004 now serve as components of the overall program. These include the Dual Enrollment Grant, Foster Child Grant, and HOPE Scholarship for Non-Traditional Students (for Tennessee resident entering freshmen who are 25 years or older).

Program Size and Scope

The TELS program has grown steadily since its inception in 2004-05 and will reach maturity in 2007-08. Monetarily, the program grew from expending \$93 million in its initial year to \$134 million in 2005-06. Enhanced by the addition of a Dual Enrollment Grant for high school students, the number of students served grew from 40,000 in the program's inaugural year to 56,000 in 2005-06 (**Table 2**).

Table 2

Scholarship Recipients and Dollars Awarded 2004-05 and 2005-06¹				
	2004-05		2005-06	
	Students	Dollars	Students	Dollars
HOPE (including GAMS & ASPIRE)	31,272	\$86,650,189	40,275	\$126,345,913
Access Award	108	\$152,560	265	\$490,294
Wilder-Naifeh Technical Skills Grant	8,815	\$6,613,273	10,023	\$7,860,163
Foster Child Grant ²	n/a	n/a	30	\$88,245
Dual Enrollment Grant ²	n/a	n/a	5,465	\$2,060,356
Total	40,195	\$93,416,022	56,058	\$136,844,971

1. Source: Tennessee Student Assistance Corporation year-end report of actual students served and dollars awarded.

2. Foster Care and Dual Enrollment grants did not become components of the TELS program until 2005-06.

It is estimated that the program will expend \$172 million in 2006-07 (the current year) and \$211 million in 2007-08, when the program reaches maturity.

Examining the distribution of TELS recipients by postsecondary system (**Table 3**), colleges and universities in the Tennessee Board of Regents (TBR) system enrolled the largest share of scholarship recipients, with 46 percent of the overall total. Just over one-fourth of recipients attended a TBR university, and 20 percent attended a community college. Students attending a University of Tennessee (UT) campus represented almost 22 percent of all scholarship recipients. More than 7,600 recipients, or 14 percent of all awardees, attended member institutions of the Tennessee Independent Colleges and Universities Association (TICUA).

Table 3

Distribution of Scholarship Recipients and Dollars by System, 2005-06				
	Students		Dollars	
	N	%	\$	%
UT System	12,065	21.5%	\$38,165,647	27.9%
TBR 4-Year	14,755	26.3%	\$50,493,573	36.9%
TBR 2-Year	10,961	19.6%	\$14,244,912	10.4%
Independents (TICUA)	7,677	13.7%	\$25,754,596	18.8%
Technology Centers	10,552	18.8%	\$8,039,913	5.9%
Private/Business	48	0.1%	\$146,330	0.1%
Total	56,058	100.0%	\$136,844,971	100.0%

Source: TSAC year-end report.

Because award amounts differ depending on the sector attended, the dollar share exceeds the student share in certain sectors -- UT, TBR universities, and independent institutions. The reverse is true of community colleges and technology centers.

RECIPIENT DEMOGRAPHICS

The TELS program is nearing maturity. It currently contains four classes of Tennessee students and will contain five classes at full capacity. This section will examine lottery scholarship receipt by student gender, race/ethnicity, family income, and postsecondary sector attended. The analysis is limited to the General Assembly Merit Scholarship (GAMS), HOPE, ASPIRE, and Access awards. Currently, THEC does not have access to individual records for students receiving the Wilder-Naifeh Technical Skills Grant.

An analysis of this type enables one to understand how recipient demographics have changed since the program's inception in 2004. Two factors that influence these demographics are the initial composition of an incoming TELS class and the rates at which recipients retain their awards.

Scholarship Recipients by Gender

As **Table 4** indicates, more female students than males receive TELS awards. This is consistent with females' representation within the Tennessee higher education population at large. During this same time period of 2004-2006, female students have comprised 59 percent of total headcount within Tennessee public postsecondary higher education.

Table 4

Scholarship Recipients by Gender (All Award Types)			
	Fall 2004	Fall 2005	Fall 2006
Females, First-Time Freshmen	56%	57%	57%
Males, First-Time Freshmen	44%	43%	43%
Females, Total Recipients	58%	59%	61%
Males, Total Recipients	42%	41%	39%

- The percentage of first-time freshman recipients represented by females increased by one percentage point from 2004 to 2006.
- During this same time period, the percentage of total recipients represented by females rose by three percentage points, indicating that female students are retaining their awards at higher rates than males.
- The only program not to see an increase in female participation is the Access award, for recipients who do not quite meet the HOPE eligibility standards. Within this program, the female share dropped from 63 percent to 62 percent between 2004 and 2006. Access is a one-time award, and students who meet renewal criteria convert to the basic HOPE program.

Scholarship Recipients by Race/Ethnicity

African American students represent a smaller portion of scholarship recipients (8 percent) than they do within the public postsecondary population as a whole (19 percent). This gap has widened, as African American representation among TELS first-time freshmen and total recipients decreased from 2004 to 2006 (**Table 5**).

Table 5

Scholarship Recipients by Race/Ethnicity (All Award Types)			
	Fall 2004	Fall 2005	Fall 2006
African American First-Time Freshmen	12%	10%	11%
Caucasian First-Time Freshmen	83%	84%	83%
Other* First-Time Freshmen	5%	6%	6%
African American Overall	10%	9%	8%
Caucasian Overall	85%	86%	87%
Other* Overall	5%	5%	5%

* "Other" includes Native American, Asian, Hispanic, and multiple race students.

- For each fall term snapshot presented above, the percentage of total recipients represented by African American students is smaller than their first-time freshmen share, indicating that this group is not retaining the scholarship at a rate comparable to other groups.
- The Caucasian percentage of first-time freshman recipients has remained at 83 percent. However, white students' percentage of total recipients has increased by two points, indicating that this group has maintained scholarship eligibility at a higher rate than students in other groups.
- The biggest discrepancy in award share pertains to the GAMS award, where Caucasians make up 95.5 percent of enrollment, compared to 3.8 percent for "other" and 0.8 percent for African American participants.
- The smallest gaps regarding racial participation are within the ASPIRE and Access programs, which are both income-contingent. African American students comprise 17 percent of the ASPIRE population, close to their share of Tennessee public postsecondary enrollment, which is 19 percent.

Scholarship Recipients by Postsecondary Sector

As the lottery program matures, there is a noticeable shift in participation toward the four-year college sector – particularly public universities. This change is not surprising since two-year schools have shorter degree programs than four-year schools and they are often a starting point where students take core course requirements prior to transfer. Additionally, as discussed later, students in four-year institutions tend to have higher scholarship retention rates than students at community colleges.

- While the public four-year sector's share of freshman TELS recipients remained steady from Fall 2004 to Fall 2006 (at 63 percent), this sector gained five percentage points in its share of total recipients, from 62 to 67 percent (**Table 6**).
- Over this same period the public two-year sector's share of all TELS recipients decreased from 21 to 15 percent.
- The independent sector's share of scholarship recipients remained relatively steady, gaining one percentage point among freshmen and all recipients.

Table 6

Scholarship Recipients by Postsecondary Sector (All Award Types)			
	Fall 2004	Fall 2005	Fall 2006
% of TELS first-time freshmen enrolling in:			
Public 4-year institutions	63%	61%	63%
Public community colleges	22%	24%	21%
Independent institutions (TICUA)	15%	15%	16%
% of TELS total recipients enrolling in:			
Public 4-year institutions	62%	63%	67%
Public community colleges	21%	20%	15%
Independent institutions (TICUA)	17%	17%	18%

Scholarship Recipients by Family Income

The requirement that scholarship applicants complete a Free Application for Federal Student Aid (FAFSA) allows analysis of lottery recipients by family income. A unique element of Tennessee's merit program is that recipients from families with adjusted gross income (AGI) of \$36,000 or less qualify for a need-based supplement. Students from families that meet this income criterion accounted for 24 percent of all TELS recipients in Fall 2006 (**Table 7**). Such students represent 38 percent of all ACT test-takers in Tennessee, and families in this income range are 48 percent of the state's population as a whole.

- The share of freshman TELS recipients from families with annual income higher than \$96,000 has increased by three percentage points; however this group's share of the overall total has increased by five points, indicating higher scholarship retention rates by this group.
- The overall share of award recipients has risen for students from the highest income bracket (23 to 28 percent). Not only have students in the highest income bracket increased as a percentage of freshman TELS recipients, but they also tend to retain their scholarships at a higher rate.

Table 7

Scholarship Recipients by Family Income (All Award Types)								
		First-Time Freshmen			All Recipients			
		Fall 2004	Fall 2005	Fall 2006	Fall 2004	Fall 2005	Fall 2006	
ASPIRE & Access	\$12,000 or less	6%	9%	9%	6%	7%	8%	
	\$12,001 - \$24,000	10%	9%	9%	9%	8%	7%	
	\$24,001 - \$36,000	11%	10%	11%	10%	10%	9%	
	\$36,001 - \$48,000	11%	10%	9%	11%	10%	9%	
	\$48,001 - \$60,000	11%	10%	10%	11%	11%	10%	
	\$60,001 - \$72,000	11%	10%	10%	11%	10%	10%	
	\$72,001 - \$84,000	10%	10%	10%	10%	10%	10%	
	\$84,001 - \$96,000	8%	8%	8%	8%	9%	9%	
	\$96,001 and above	22%	24%	25%	23%	25%	28%	

Students from families with adjusted gross income of \$36,000 or less qualify for a need-based supplement under the ASPIRE and Access awards.

- Students from families with AGI between \$36,001 and \$96,000 experienced the largest loss in share, decreasing from 51 percent of all TELS recipients in Fall 2004 to 48 percent in Fall 2006.

Scholarship Recipients by Academic Preparation

The Fall 2005 first-time freshman class of TELS recipients is useful for analysis because these students began the program under current scholarship standards. **Table 8** shows the various ways in which this class qualified for awards: meeting the high school GPA standard, meeting the ACT standard, or both. Results are shown for each award type and are broken down by gender and race/ethnicity. **Appendix A** further disaggregates these results by the postsecondary sector attended.

Student Preparation in Overall TELS Program. Looking across all TELS award types, 59 percent of Fall 2005 first-time freshman recipients met both criteria for initial eligibility: the high school GPA *and* the ACT score.¹ Another 26 percent qualified based on high school GPA only, and 15 percent qualified only on the basis of their ACT score.²

- While Caucasian students were more likely to meet both criteria than were African American students (62 percent compared to 37 percent), African Americans were much more likely to qualify on the basis of high school GPA only (50 percent to 23 percent). Caucasians and African Americans were equally likely to have qualified by meeting only the ACT standard.
- Among students who qualified by meeting only one standard as opposed to both, females were more likely to qualify on the basis of high school GPA

¹ Put another way, if both criteria had been required, 41 percent of these recipients would have been ineligible.

² All General Assembly Merit Scholarship recipients satisfied both standards, commensurate with award criteria.

standard, while males were more likely to qualify on the basis of an ACT composite score.

- Examining scholarship qualification methods by race and gender, Caucasian females were the group most likely to meet both standards; African American females were the group most likely to qualify on the basis of high school GPA only; and African American males were the group most likely to qualify based on the ACT standard only.

Student Preparation for HOPE. Within the basic HOPE award, the percentage of Fall 2005 first-time freshmen meeting both initial eligibility criteria was the same as for the scholarship program overall – 59 percent. Another 24 percent qualified based on high school GPA only, and 17 percent qualified only on the basis of their ACT score.

- The percentage of Caucasian recipients who met both criteria exceeded the percentage of African American recipients meeting both criteria by 19 points (61 percent compared to 42 percent). Alternatively, 43 percent of African American recipients qualified by meeting the high school GPA requirement only, compared to 23 percent of Caucasians.

Student Preparation for ASPIRE. Within the need-based ASPIRE award, 50 percent of Fall 2005 first-time freshmen met both initial eligibility criteria. Another 36 percent qualified based on high school GPA only, and 17 percent qualified only on the basis of their ACT score.

- The percentage of Caucasian recipients who met both criteria exceeded the percentage of African American recipients meeting both criteria by 24 points (54 percent compared to 30 percent). Alternatively, African American recipients were nearly twice as likely as Caucasians to have qualified by meeting the high school GPA requirement only (58 percent to 30 percent).

Table 8
Academic Preparation:
Qualification Standards Met by Fall 2005 First-Time Freshman TELS Recipients

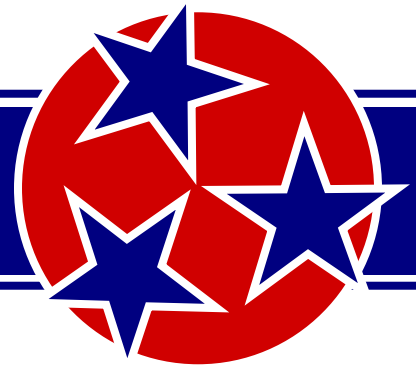
Met Both High School GPA and ACT Standards				
	All Programs	HOPE	GAMS*	ASPIRE
Total	59%	59%	100%	50%
Females	60%	62%	100%	50%
Males	57%	56%	100%	50%
African American	37%	42%	100%	30%
Caucasian	62%	61%	100%	54%
African American Females	38%	46%	100%	31%
African American Males	33%	35%	100%	30%
Caucasian Females	64%	63%	100%	55%
Caucasian Males	60%	58%	100%	53%

Met High School GPA Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	26%	24%	N/A	36%
Females	31%	28%	N/A	41%
Males	19%	19%	N/A	27%
African American	50%	43%	N/A	58%
Caucasian	23%	23%	N/A	30%
African American Females	54%	47%	N/A	61%
African American Males	40%	34%	N/A	48%
Caucasian Females	27%	27%	N/A	35%
Caucasian Males	17%	18%	N/A	23%

Met ACT Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	15%	17%	N/A	15%
Females	9%	10%	N/A	9%
Males	23%	25%	N/A	23%
African American	14%	15%	N/A	12%
Caucasian	15%	16%	N/A	15%
African American Females	8%	7%	N/A	8%
African American Males	27%	31%	N/A	22%
Caucasian Females	9%	10%	N/A	9%
Caucasian Males	23%	24%	N/A	25%

* A 3.0 high school GPA and 21 ACT score are required to qualify for the GAMS.

SCHOLARSHIP RETENTION



This section of the report presents lottery scholarship retention rates by award type and postsecondary sector. This analysis is followed by a closer examination of how scholarship retention varies by family income and the level of academic preparation in high school.

When reading the ensuing narrative, it is important to keep in mind the following distinction: for scholarship recipients who entered the program in Fall 2004, the program's inaugural year, the ACT composite score requirement was 19. By Fall 2005 the ACT standard was raised to 21, which is the current requirement.

While initial eligibility criteria differ from award to award, renewal criteria are consistent across all award types: a 2.75 cumulative GPA after 24 credit hours attempted and 3.0 cumulative GPA for each subsequent 24 credit hours, for up to five academic years.

Scholarship Retention by Award Type and Sector

Table 9 shows freshman to sophomore retention rates for two cohorts of scholarship recipients: students who entered as first-time freshmen in Fall 2004 and in Fall 2005. Retention rates vary widely by award type but have remained relatively stable for the larger programs. Given that the Fall 2005 freshmen entered under current eligibility criteria, the ensuing narrative focuses on these students' lottery scholarship retention rates as of Fall 2006.

General Assembly Merit Scholarship Retention Rates

The initial eligibility requirements for the GAMS award are the most rigorous of all TELS award types. Within the GAMS award:

- Fall 2005 freshmen retained awards the following fall at a rate of 87 percent, down three percentage points from the cohort prior.
- By sector, the rates were 89 percent for public universities, 86 percent for independent institutions affiliated with TICUA, and 53 percent for community colleges.

HOPE Scholarship Retention Rates

- Within the basic HOPE award, Fall 2005 freshmen retained awards the following fall at a rate of 50 percent, the same rate as for the cohort prior.

- By sector, the rates were 63 percent for independent institutions, 53 percent for public universities, and 36 percent for community colleges.

ASPIRE Scholarship Retention Rates

HOPE and ASPIRE carry the same initial eligibility requirements except that the family income of ASPIRE recipients must be below \$36,000 annually. Within this need-conscious award:

- Fall 2005 freshmen retained awards the following fall at a rate of 44 percent, up four points from the cohort prior.
- By sector, the rates were 56 percent for independent institutions, 46 percent for public universities, and 35 percent for community colleges.

Table 9
Scholarship Retention Rates by Award Type and Initial Postsecondary Sector

Fall 2004 First-Time Freshmen Who Retained Award Fall 2005					
	HOPE N = 13,635	GAMS N = 1,069	ASPIRE N = 5,803	ACCESS N = 111	Grand Total N = 20,618
Public 4-Yr	51%	89%	41%	30%*	51%
Public 2-Yr	41%	77%*	36%	20%*	39%
Independent	58%	91%	45%	0%*	58%
Grand Total	50%	90%	40%	23%	49%
Fall 2005 First-Time Freshmen Who Retained Award in Fall 2006					
	HOPE N = 14,778	GAMS N = 1,250	ASPIRE N = 5,437	ACCESS N = 350	Grand Total N = 21,815
Public 4-Yr	53%	89%	46%	20%	53%
Public 2-Yr	36%	53%*	35%	11%	35%
Independent	63%	86%	56%	24%*	64%
Grand Total	50%	87%	44%	17%	50%

"N" indicates the size of the entering freshman cohort for each award type.

* Indicates original cohort size for a given postsecondary sector was less than 100.

Access Award Retention Rates

The Access program provides a reduced award to needy students who did not quite meet the academic criteria in high school for ASPIRE. Though this is a one-time award, recipients who satisfy the requirements for postsecondary performance receive ASPIRE going forward. Within the Access program:

- Fall 2005 freshmen retained awards the following fall at a rate of 17 percent, down six points from the cohort prior.

- By sector, the rates were 24 percent for independent institutions, 20 percent for public universities, and 11 percent for community colleges.

Family Income and Scholarship Retention

As noted earlier, students are required to complete the FAFSA in order to qualify for a TELS award. Necessary for determining eligibility for need-contingent awards within the program, the requirement provides the added benefit of making family income data available for analysis on the relationship between family income and performance outcomes. In short, as family income rises, so does the likelihood of maintaining eligibility for a TELS award. This relationship proceeds in fairly linear fashion when looking across all award types. Within the General Assembly Merit Scholarship, retention rates are fairly consistent across all levels of family income, presumably because the academic requirements for initial eligibility for the GAMS award are sufficiently high to override the differential benefits of family income. Often, family income is a proxy for parental educational attainment, which may in turn affect students' aspirations and the educational resources to which students are exposed in the home.

- Looking across all award types, there was a difference of 21 percentage points in award retention rates between the highest and lowest income group. Students from families earning over \$96,000 retained their awards at a 63 percent rate, compared to 42 percent for students from families earning \$12,000 and below (Table 10).

Table 10
Scholarship Retention Rates by Award Type and Family Income

Fall 2005 First-Time Freshmen Who Retained Award Fall 2006					
	HOPE	GAMS	ASPIRE	Access	Grand Total
\$12,000 and below	Students who would qualify for these awards but have family income of \$36,000 or less receive ASPIRE.		43%	19%	42%
\$12,001 - \$24,000			46%	16%	44%
\$24,001 - \$36,000			50%	26%	49%
\$36,001 - \$48,000	51%	86%	By definition, participation in these programs requires family income of \$36,000 or less.		53%
\$48,001 - \$60,000	52%	89%			55%
\$60,001 - \$72,000	54%	87%			57%
\$72,001 - \$84,000	57%	85%			59%
\$84,001 - \$96,000	58%	93%			61%
over \$96,000	59%	91%			63%
Grand Total	56%	88%	47%	20%	55%

High School Preparation and Scholarship Retention

High school preparation and performance are important predictors of college academic success. In short, students who perform better academically in high school tend to perform better at the postsecondary level. Grade point averages and ACT scores are widely accepted measures of secondary achievement. The TELS program acknowledges the importance of each of these academic indicators by requiring that students meet either the high school grade point average *or* ACT requirement to gain eligibility for most program awards. The fact that Tennessee requires students to meet one standard rather than both makes its merit scholarship more accessible than programs in many other states.

As mentioned previously, TELS students who enrolled as first-time freshmen in Fall 2005 did so under current standards for initial eligibility. In this section, scholarship retention rates for these students are presented based on the manner in which recipients qualified for the award.

Table 11 shows the percentage of Fall 2005 first-time freshmen who retained their scholarship in Fall 2006. The table allows comparison of the retention rates associated with the manner in which students qualified for an award: meeting the high school GPA standard, meeting the ACT standard, or both. Results are shown for each award type and are broken down by gender and race/ethnicity. **Appendix B** further disaggregates these results by the postsecondary sector attended.

Overall TELS Retention Rates

- Looking across all TELS award types, scholarship retention rates were highest for students who qualified on the basis of both academic criteria. Meeting the high school GPA standard was the next most advantageous way of qualifying for an award. Scholarship retention rates were lowest for students who met only the ACT standard.
- For Fall 2005 first-time freshmen who met both academic criteria for initial eligibility, the Fall 2006 scholarship retention rate for the TELS program overall was 66 percent: 88 percent for the General Assembly Merit Scholarship, 65 percent for basic HOPE, and 60 percent for the need-based ASPIRE.
- Scholarship retention rates were generally higher for females than for males. Looking at scholarship retention by race and gender, Caucasian females had the highest retention rates of any group.
- Scholarship retention rates were generally higher for Caucasian students than for African Americans, with one exception. Among students who qualified solely on the basis of ACT score, African Americans retained the scholarship at a higher rate.

HOPE Scholarship Retention Rates

- Within the basic HOPE award, the scholarship retention rate was 65 percent for students who qualified by meeting both academic criteria, 43 percent for students who qualified solely on the basis of high school GPA, and 23 percent for students who qualified by ACT score alone.
- Retention rates ranged from a high of 68 percent for Caucasian females who met both the high school GPA and ACT standards to a low of 21 percent for Caucasian males who qualified on the basis of ACT score alone.

ASPIRE Scholarship Retention Rates

- Within the need-conscious ASPIRE award, the scholarship retention rate was 60 percent for students who qualified by meeting both academic criteria, 39 percent for students who qualified solely on the basis of high school GPA, and 21 percent for students who qualified by ACT score alone.
- Retention rates ranged from a high of 64 percent for Caucasian females who met both the high school GPA and ACT standards to lows of 20-25 percent for students who qualified on the basis of ACT score alone.

Table 11
Scholarship Retention Rates of
Fall 2005 TELS First-Time Freshmen by Qualifications Met

Met Both High School GPA and ACT Standards				
	All Programs	HOPE	GAMS*	ASPIRE
Total	66%	65%	88%	60%
Females	69%	68%	90%	63%
Males	62%	60%	87%	55%
African American	58%	59%	N/A**	56%
Caucasian	67%	65%	89%	60%
African American Females	60%	63%	N/A**	57%
African American Males	52%	50%	N/A**	53%
Caucasian Females	69%	68%	90%	64%
Caucasian Males	63%	61%	88%	55%

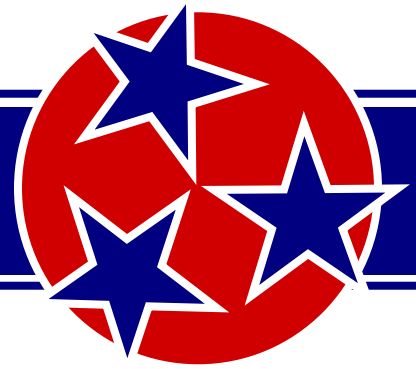
Met High School GPA Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	42%	43%	N/A	39%
Females	44%	45%	N/A	41%
Males	38%	39%	N/A	34%
African American	37%	39%	N/A	36%
Caucasian	43%	45%	N/A	40%
African American Females	40%	42%	N/A	39%
African American Males	28%	30%	N/A	26%
Caucasian Females	45%	47%	N/A	42%
Caucasian Males	39%	41%	N/A	35%

Met ACT Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	23%	23%	N/A	21%
Females	26%	28%	N/A	20%
Males	21%	21%	N/A	22%
African American	24%	26%	N/A	22%
Caucasian	23%	23%	N/A	21%
African American Females	26%	28%	N/A	25%
African American Males	23%	25%	N/A	20%
Caucasian Females	26%	28%	N/A	20%
Caucasian Males	21%	21%	N/A	22%

* A 3.0 high school GPA and 21 ACT score are required to qualify for the GAMS.

** Number of awardees was below 10.

COLLEGE RETENTION



The previous section described rates at which students retain lottery scholarship awards. This section describes what becomes of students who lose their scholarship. The chapter is divided into three parts.

- Scholarship retention and college retention for Fall 2004 entering freshmen. Longitudinal tracking of TELS freshmen who entered college in Fall 2004 reveals:
 - The number of students from the original TELS freshman cohort who retained their scholarships into their second and third year of college -- Fall 2005 and Fall 2006, respectively.
 - The number from the original cohort who continued in college in spite of losing their award.

This results in a comprehensive picture of the scholarship retention and college retention rates for these students in what would normally be considered their sophomore and junior years of college.

- Postsecondary sector enrollment shifts among students who persist. For those students who stayed in school, a comparison of students who returned with and without the scholarship reveals enrollment shifts by postsecondary sector. Are students who remain in college after losing a scholarship tending to do so by down-shifting to less expensive institutions?
- Scholarship retainers and forfeiters who stay in school. Freshmen who retained their scholarship as sophomores are compared to those who lost their scholarship but returned to school anyway, revealing differences in family income and high school academic preparation between the two groups.

Scholarship Retention and College Retention for Fall 2004 Entering Freshmen

For the ensuing analysis, the TELS entering freshman class of Fall 2004 was longitudinally tracked into the Fall semester of 2006, with a focus on two issues: (1) the cumulative scholarship retention two years after college matriculation and (2) continued enrollment by students who lost a scholarship. **Table 12** contains the results. Due to data limitations on non-TELS students in the independent sector, TICUA institutions are excluded from this analysis.

Scholarship Retention Rates. The rates at which Fall 2004 entering freshmen retained their TELS awards in Fall 2005 and 2006 are as follows:

- For the TELS program as a whole, 48 percent of the entering freshmen from Fall 2004 retained their award in Fall 2005. The scholarship retention rate for this class was 36 percent by Fall 2006. Given what is known about the scholarship retention patterns of the inaugural class of TELS recipients who entered the program as sophomores and are now in their senior year of college, it is anticipated that about 30 percent of Fall 2004 freshmen will retain their scholarship by Fall 2007.
- For GAMS, which carries the most stringent criteria for initial eligibility, the scholarship retention rate was 89 percent in Fall 2005 and 84 percent by Fall 2006.
- For basic HOPE, the scholarship received by most students within the program, the scholarship retention rate was 49 percent in Fall 2005 and 35 percent by Fall 2006.
- For the need-contingent ASPIRE, the second largest award within the program, the scholarship retention rate was 40 percent in Fall 2005 and 37 percent by Fall 2006.
- Access is a one-year award, and students who meet renewal criteria go forward in the program as recipients of the need-based ASPIRE award. Of Access starters, 25 percent retained in Fall 2005; nine percent by Fall 2006.

Table 12
Fall 2004 TELS First-Time Freshmen:
Continued Enrollment in Subsequent Fall Terms, by Original Award Type

	Fall 2004 First-Time Freshmen	Returned Fall 2005				Returned Fall 2006		
		With TELS	without TELS	Overall		with TELS	without TELS	Overall
HOPE	11,675	49.4%	34.7%	84.1%		36.4%	39.8%	76.2%
GAMS	721	89.0%	7.4%	96.4%		83.8%	10.3%	94.1%
ASPIRE	5,012	40.0%	34.1%	74.1%		26.0%	36.9%	62.9%
Access	101	24.8%	38.6%	63.4%		9.0%	38.0%	47.0%
Total	17,509	48.2%	33.4%	81.6%		35.2%	37.8%	73.0%

Note: Due to data limitations on non-TELS students in independent institutions, these results are for Tennessee public institutions only.

College Retention Rates. The following observations can be made about Fall 2004 entering freshmen who lost their lottery scholarships but remained in school in Fall 2005:

- Overall: In addition to the 48.2 percent of Fall 2004 entering freshmen who kept their scholarship in Fall 2005, an additional 33.4 percent who lost their award stayed in school, bringing the overall college retention rate to 81.6 percent.
- GAMS: In addition to the 89 percent of students who kept their scholarship, an additional 7.4 percent who lost the award stayed in school, bringing the overall

college retention rate to 96.4 percent. From the Demographics section of this report, it is apparent that GAMS recipients have the highest family income profile of all award types, and in light of their academic profile likely have other resources supporting college attendance.

- HOPE. In addition to the 49.4 percent of students who kept their scholarship, an additional 34.7 percent who lost the scholarship stayed in school, bringing the overall college retention rate to 84.1 percent.
- ASPIRE: In addition to the 40 percent of students who kept their scholarship, an additional 34.1 percent who lost the scholarship stayed in school, bringing the overall college retention rate to 74.1 percent.
- Access: In addition to the 24.8 percent of students who kept their scholarship, an additional 38.6 percent who lost the award stayed in school, bringing the overall college retention rate to 63.4 percent.

Summary observations about college retention rates (Table 12):

- Nearly all GAMS recipients are staying in school. The actual college retention rate for these students is likely even higher than the 94 percent reported for Fall 2006, but once students leave the scholarship program, THEC currently has no way of knowing if the student continued in a TICUA institution or some other college outside Tennessee's public higher education system.
- For students who entered college on an award other than GAMS, the percentages of students who lost the scholarship but remained enrolled anyway in Fall 2005 are remarkably similar, ranging from 34 to 39 percent. This indicates that the differences in college retention are coming primarily from students who lost their scholarship and dropped out (or stopped out) of school. Therefore, in the following section, students who lost their scholarship but stayed in school are compared to those who lost and left, to uncover differences in initial postsecondary sector attended, family income, and academic preparation.
- While there is virtually no drop-off in the college retention rate between Fall 2005 and Fall 2006 for GAMS students, there was attrition in that time period among students who began with all other types of awards, ranging from a decrease of eight percentage points for HOPE starters to 16 points for Access starters, suggesting that continuous enrollment becomes increasingly difficult for students who began their college careers in the need-contingent programs.

Postsecondary Sector Enrollment Shifts Among Students Who Persist

The foregoing narrative has described not only the rates at which students retain their scholarship, but the rates at which they remain in college if they lose their scholarship. Table 12 indicates that the majority of students who lose an award remain in college, but where do they go? How do their sector choices compare to those of students who retained their scholarship? To answer these questions, an examination was undertaken of changes

in the sector of enrollment for Fall 2004 first-time freshmen who either lost or retained the scholarship one year later (Fall 2005). **Table 13** contains the results. Once again, due to data limitations on non-TELS students in the independent sector dictated restricting this analysis to students who began at a public institution.

Among TELS freshmen in Tennessee's public postsecondary system who lost their award after one year but returned to school anyway, the following shifts in enrollment share were observed:

- UT campuses lost the largest enrollment share among students who lost scholarship eligibility after one year, while TBR two-year institutions gained the largest share.
- This pattern is more pronounced for basic HOPE than it is for the need-conscious ASPIRE award.
- These results suggest that among students who lose their scholarship, there is a net shift in enrollment from the four-year to the two-year sector, likely due to a combination of financial and academic reasons.

Table 13

Postsecondary Sector Enrollment Shifts: Fall 2004 TELS First-Time Freshmen who Began at a Public Institution, Lost Scholarship, but Remained Enrolled Fall 2005					
Fall 2004	HOPE	GAMS	ASPIRE	Access	Grand Total
TBR 4-year	44%	36%	46%	32%	44%
TBR 2-year	23%	2%	28%	51%	24%
UT	34%	62%	26%	17%	32%
Grand Total	100%	100%	100%	100%	100%
Fall 2005	HOPE	GAMS	ASPIRE	Access	Grand Total
TBR 4-year	40%	36%	43%	32%	41%
TBR 2-year	31%	4%	34%	54%	32%
UT	28%	60%	23%	15%	27%
Grand Total	100%	100%	100%	100%	100%

Note: Due to data limitations on non-TELS students in independent institutions, results are for Tennessee public institutions only.

In contrast, the enrollment patterns for students who retained their award are as expected, as students begin to transfer out of the community colleges into the public and independent four-year sectors (**Table 14**). Among TELS public institution freshmen who retained their award after one year, the enrollment shifts by sector were as follows:

- TBR 4-year institutions gained the largest enrollment share among students who maintained scholarship eligibility after their first college year.

- Community colleges lost the largest enrollment share among award retainers. This is unsurprising since many students begin in the two-year sector with the intention of moving on to a four-year school.

Table 14

Postsecondary Sector Enrollment Shifts: Fall 2004 TELS First-Time Freshmen who Began at a Public Institution, Retained Scholarship, and Remained Enrolled Fall 2005					
Fall 2004	HOPE	GAMS	ASPIRE	Access	Grand Total
TBR 4-year	45%	38%	46%	44%	45%
TBR 2-year	21%	2%	30%	40%	21%
UT	34%	59%	25%	16%	34%
Grand Total	100%	100%	100%	100%	100%
Fall 2005	HOPE	GAMS	ASPIRE	Access	Grand Total
TBR 4-year	48%	39%	48%	48%	47%
TBR 2-year	16%	2%	26%	40%	17%
UT	34%	59%	25%	12%	34%
Independents	1%	1%	1%	0%	1%
Grand Total	100%	100%	100%	100%	100%

Scholarship Retainers and Forfeitters Who Stay in School

Not shown in earlier tables is the fact that students who remained in school after losing their TELS award tended to come from higher income families. Upon examining Fall 2005 TELS first-time freshmen who lost their scholarship, it was found that over three-fourths of such students from the highest family income group returned to school anyway. Among such students from the lowest income families, the returning-to-college rate was 59 percent, a difference of 17 percentage points (**Table 15**).

Table 15

Fall 2005 TELS First-Time Freshmen Who Lost Scholarship But Remained Enrolled Fall 2006, by Family Income					
	HOPE N = 5,131	GAMS N = 84	ASPIRE N = 2,367	Access N = 206	Grand Total N = 7,788
\$12,000 and below	Students who would qualify for these awards but have family income of \$36,000 or less receive ASPIRE.		60%	58%	59%
\$12,001 - \$24,000			60%	64%	60%
\$24,001 - \$36,000			60%	56%	60%
\$36,001 - \$48,000			By definition, participation in these programs requires family income of \$36,000 or less.		63%
\$48,001 - \$60,000	63%	45%			62%
\$60,001 - \$72,000	65%	83%			66%
\$72,001 - \$84,000	70%	50%			70%
\$84,001 - \$96,000	71%	71%			71%
over \$96,000	77%	63%			76%
Grand Total	69%	65%	60%	59%	66%

However, family income is not the only factor that affects a student's decision to remain in school after losing a lottery scholarship. A student's ability to do college-level work, as reflected in high school academic performance, also plays a role (**Table 16**).

- Among scholarship forfeiters, students in the top high school GPA quintile (3.81 and up) were nine percent more likely to return to school than were students from the bottom GPA quintile (74 percent to 65 percent).
- However, even after controlling for academic preparation (reflected in high school GPAs and ACT scores), family income does appear to make a difference in scholarship forfeiters' decisions on whether or not to remain continuously enrolled. Across all levels of high school GPA, there was a difference of 15 to 20 percentage points between students in the top and bottom income quartiles in terms of continued enrollment after losing the scholarship.
 - Within the low GPA group, 76 percent of the highest-income students remained enrolled without the scholarship, compared to 60 percent of the lowest-income students.
 - Within the middle GPA group, 81 percent of the highest-income students remained enrolled without the scholarship, compared to 65 percent of the lowest-income students.
 - Within the top GPA group, 83 percent of the highest-income students remained enrolled without the scholarship, compared to 68 percent of the lowest-income students.

Table 16
Fall 2005 TELS First-Time Freshmen Who Lost Scholarship But Remained Enrolled
Fall 2006, by Family Income, High School GPA, and ACT Score

Across all levels of family income

	3.0 or below	3.01-3.23	3.24-3.50	3.51-3.80	3.81 and up	Grand Total
20 or below	63%	68%	66%	71%	73%	67%
21	65%	74%	71%	67%	82%	68%
22-23	67%	75%	72%	74%	77%	71%
24-26	67%	70%	75%	78%	72%	72%
above 26	61%	73%	73%	82%	72%	72%
Grand Total	65%	71%	70%	74%	74%	69%

Bottom family income quartile (\$31,859 and below)

	3.0 or below	3.01-3.23	3.24-3.50	3.51-3.80	3.81 and up	Grand Total
20 or below	65%	65%	67%	65%	73%	66%
21	53%	66%	67%	56%	*85%	59%
22-23	59%	74%	65%	76%	65%	66%
24-26	56%	49%	63%	64%	67%	59%
above 26	57%	*67%	*37%	87%	61%	62%
Grand Total	60%	65%	65%	67%	68%	64%

Second family income quartile (\$31,860 - \$60,640)

	3.0 or below	3.01-3.23	3.24-3.50	3.51-3.80	3.81 and up	Grand Total
20 or below	40%	67%	60%	62%	63%	61%
21	65%	73%	64%	70%	*64%	68%
22-23	62%	70%	66%	64%	79%	66%
24-26	59%	78%	74%	76%	68%	69%
above 26	*50%	*60%	82%	68%	64%	66%
Grand Total	59%	69%	65%	67%	68%	65%

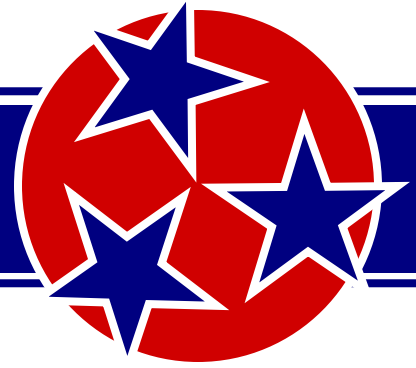
Third family income quartile (\$60,641 - \$92,536)

	3.0 or below	3.01-3.23	3.24-3.50	3.51-3.80	3.81 and up	Grand Total
20 or below	66%	69%	69%	75%	*80%	70%
21	68%	74%	77%	68%	*100%	71%
22-23	70%	71%	75%	73%	88%	73%
24-26	70%	74%	75%	85%	76%	76%
above 26	55%	*79%	80%	83%	75%	74%
Grand Total	68%	72%	73%	77%	81%	73%

Top family income quartile (\$92,537 and above)

	3.0 or below	3.01-3.23	3.24-3.50	3.51-3.80	3.81 and up	Grand Total
20 or below	78%	79%	74%	96%	*90%	81%
21	76%	84%	79%	80%	*83%	78%
22-23	74%	82%	80%	82%	*81%	78%
24-26	81%	77%	88%	88%	78%	83%
above 26	75%	79%	82%	90%	88%	83%
Grand Total	76%	80%	81%	88%	83%	80%

* denotes "N" for the cell is less than 20



**High School Preparation Levels of Fall 2005 First-Time
Freshman TELS Recipients, by Initial Postsecondary
Sector**

Appendix A
High School Preparation of Fall 2005 First-Time Freshman TELS Recipients:
Public University Sector

Met ACT and High School GPA Standards				
	All Programs	HOPE	GAMS*	ASPIRE
Total	64%	64%	100%	55%
Females	66%	67%	100%	55%
Males	63%	61%	100%	56%
African American	38%	43%	100%	31%
Caucasian	69%	67%	100%	64%
African American Females	39%	47%	100%	32%
African American Males	34%	35%	100%	30%
Caucasian Females	71%	70%	100%	66%
Caucasian Males	66%	63%	100%	61%

Met High School GPA Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	20%	19%	N/A	31%
Females	25%	22%	N/A	36%
Males	15%	14%	N/A	22%
African American	50%	42%	N/A	58%
Caucasian	16%	16%	N/A	20%
African American Females	54%	46%	N/A	61%
African American Males	40%	33%	N/A	49%
Caucasian Females	19%	19%	N/A	24%
Caucasian Males	12%	12%	N/A	15%

Met ACT Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	15%	17%	N/A	14%
Females	9%	10%	N/A	9%
Males	23%	25%	N/A	22%
African American	13%	15%	N/A	11%
Caucasian	16%	17%	N/A	15%
African American Females	7%	6%	N/A	8%
African American Males	27%	32%	N/A	21%
Caucasian Females	10%	11%	N/A	9%
Caucasian Males	22%	25%	100%	23%

* GAMS recipients must have at least a 3.0 gpa and 21 ACT

Appendix A
High School Preparation of Fall 2005 First-Time Freshman TELS Recipients:
Community College Sector

Met ACT and High School GPA Standards				
	All Programs	HOPE	GAMS*	ASPIRE
Total	37%	38%	100%	34%
Females	38%	40%	100%	33%
Males	36%	36%	100%	35%
African American	15%	13%	100%	16%
Caucasian	38%	39%	100%	36%
African American Females	15%	16%	100%	15%
African American Males	14%	9%	100%	22%
Caucasian Females	39%	41%	100%	35%
Caucasian Males	37%	37%	100%	36%

Met High School GPA Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	44%	42%	N/A	49%
Females	51%	49%	N/A	56%
Males	34%	34%	N/A	37%
African American	65%	60%	N/A	69%
Caucasian	43%	42%	N/A	47%
African American Females	68%	64%	N/A	72%
African American Males	54%	53%	N/A	56%
Caucasian Females	50%	48%	N/A	54%
Caucasian Males	33%	33%	N/A	35%

Met ACT Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	19%	19%	N/A	17%
Females	11%	12%	N/A	11%
Males	29%	30%	N/A	28%
African American	21%	27%	N/A	15%
Caucasian	18%	19%	N/A	17%
African American Females	17%	21%	N/A	14%
African American Males	32%	38%	N/A	22%
Caucasian Females	11%	11%	N/A	10%
Caucasian Males	29%	30%	N/A	29%

* GAMS recipients must have at least a 3.0 gpa and 21 ACT

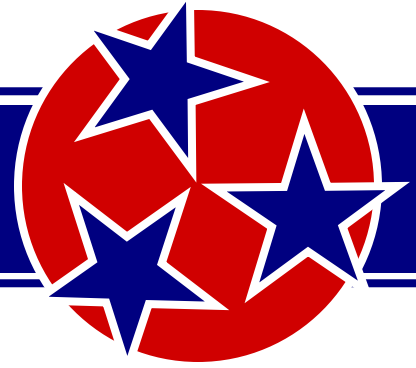
Appendix A
High School Preparation of Fall 2005 First-Time Freshman TELS Recipients:
Independent College and University Sector

Met ACT and High School GPA Standards				
	All Programs	HOPE	GAMS*	ASPIRE
Total	74%	73%	100%	61%
Females	77%	76%	100%	66%
Males	70%	70%	100%	54%
African American	50%	60%	100%	39%
Caucasian	76%	75%	100%	65%
African American Females	52%	62%	100%	43%
African American Males	45%	57%	100%	32%
Caucasian Females	79%	77%	100%	71%
Caucasian Males	72%	71%	100%	56%

Met High School GPA Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	18%	17%	N/A	27%
Females	19%	19%	N/A	28%
Males	16%	15%	N/A	26%
African American	37%	31%	N/A	44%
Caucasian	16%	16%	N/A	25%
African American Females	41%	33%	N/A	49%
African American Males	31%	27%	N/A	35%
Caucasian Females	17%	18%	N/A	24%
Caucasian Males	15%	15%	N/A	25%

Met ACT Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	9%	11%	N/A	9%
Females	5%	5%	N/A	6%
Males	15%	15%	N/A	20%
African American	13%	9%	N/A	16%
Caucasian	8%	9%	N/A	10%
African American Females	7%	5%	N/A	8%
African American Males	25%	17%	N/A	32%
Caucasian Females	4%	5%	N/A	5%
Caucasian Males	14%	14%	N/A	18%

* GAMS recipients must have at least a 3.0 gpa and 21 ACT



**Fall 2006 Scholarship Retention by High School
Preparation Level of Fall 2005 TELS Freshmen, by
Initial Postsecondary Sector**

Appendix B
Fall 2006 Scholarship Retention by High School Preparation Level
for Fall 2005 TELS Freshmen in Public University Sector

Those retaining an Award Who Met ACT and High School GPA Standards				
	All Programs	HOPE	GAMS*	ASPIRE
Total	67%	65%	91%	62%
Females	70%	69%	92%	64%
Males	63%	60%	89%	58%
African American	57%	58%	83%	55%
Caucasian	68%	66%	91%	63%
African American Females	59%	62%	N/A	55%
African American Males	52%	47%	N/A	57%
Caucasian Females	71%	70%	92%	67%
Caucasian Males	64%	61%	89%	58%

Met High School GPA Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	43%	46%	N/A	38%
Females	45%	48%	N/A	40%
Males	39%	42%	N/A	34%
African American	37%	39%	N/A	35%
Caucasian	46%	49%	N/A	40%
African American Females	39%	41%	N/A	38%
African American Males	29%	32%	N/A	27%
Caucasian Females	48%	51%	N/A	41%
Caucasian Males	42%	44%	N/A	36%

Met ACT Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	24%	25%	N/A	22%
Females	28%	29%	N/A	22%
Males	23%	23%	N/A	22%
African American	21%	27%	N/A	14%
Caucasian	25%	25%	N/A	25%
African American Females	21%	22%	N/A	20%
African American Males	22%	29%	N/A	N/A
Caucasian Females	29%	30%	N/A	24%
Caucasian Males	24%	23%	N/A	25%

* GAMS recipients must have at least a 3.0 gpa and 21 ACT

Appendix B
Fall 2006 Scholarship Retention by High School Preparation Level
for Fall 2005 TELS Freshmen in Community College Sector

Met ACT and High School GPA Standards				
	All Programs	HOPE	GAMS*	ASPIRE
Total	51%	52%	53%	48%
Females	53%	54%	60%	52%
Males	47%	49%	40%	42%
African American	46%	58%	83%	55%
Caucasian	51%	52%	53%	49%
African American Females	38%	44%	N/A	33%
African American Males	N/A	N/A	N/A	N/A
Caucasian Females	54%	54%	N/A	52%
Caucasian Males	47%	49%	N/A	43%

Met High School GPA Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	N/A			
Females	40%	40%	N/A	39%
Males	35%	35%	N/A	34%
African American	28%	28%	N/A	28%
Caucasian	39%	39%	N/A	38%
African American Females	32%	32%	N/A	31%
African American Males	15%	18%	N/A	10%
Caucasian Females	40%	41%	N/A	40%
Caucasian Males	36%	37%	N/A	34%

Met ACT Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	15%	14%	N/A	15%
Females	18%	20%	N/A	15%
Males	18%	20%	N/A	15%
African American	13%	13%	N/A	13%
Caucasian	15%	15%	N/A	15%
African American Females	22%	25%	N/A	18%
African American Males	N/A	N/A	N/A	N/A
Caucasian Females	18%	19%	N/A	15%
Caucasian Males	13%	12%	N/A	15%

* GAMS recipients must have at least a 3.0 gpa and 21 ACT

Appendix B
Fall 2006 Scholarship Retention by High School Preparation Level
for Fall 2005 TELS Freshmen in Independent Colleges and Universities

Met ACT and High School GPA Standards				
	All Programs	HOPE	GAMS*	ASPIRE
Total	74%	74%	85%	67%
Females	78%	78%	87%	71%
Males	69%	68%	83%	59%
African American	67%	70%	N/A	66%
Caucasian	75%	74%	87%	66%
African American Females	75%	75%	N/A	78%
African American Males	48%	59%	N/A	36%
Caucasian Females	78%	78%	88%	70%
Caucasian Males	70%	68%	85%	59%

Met High School GPA Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total			N/A	
Females	57%	56%	N/A	59%
Males	41%	45%	N/A	33%
African American	57%	63%	N/A	53%
Caucasian	52%	53%	N/A	50%
African American Females	66%	74%	N/A	61%
African American Males	35%	38%	N/A	33%
Caucasian Females	58%	57%	N/A	59%
Caucasian Males	42%	47%	N/A	33%

Met ACT Standard Only				
	All Programs	HOPE	GAMS*	ASPIRE
Total	38%	38%	N/A	37%
Females	42%	45%	N/A	32%
Males	42%	45%	N/A	32%
African American	67%	50%	N/A	75%
Caucasian	36%	40%	N/A	25%
African American Females	N/A	N/A	N/A	N/A
African American Males	56%	20%	N/A	73%
Caucasian Females	36%	43%	N/A	13%
Caucasian Males	36%	38%	N/A	30%

* GAMS recipients must have at least a 3.0 gpa and 21 ACT